

LAURA N. CHICK
INSPECTOR GENERAL

STATE OF CALIFORNIA
OFFICE OF THE INSPECTOR GENERAL
AMERICAN RECOVERY ACT FUNDS

Transmitted via e-mail

July 15, 2010

Mr. Elliott Robinson, Director
Monterey County Department of Social
and Employment Services
1000 South Main Street, Suite 209A
Salinas, CA 93901

Dear Mr. Robinson:

Final Review Report—Monterey County Workforce Investment Board

The State of California, Office of the Inspector General (IG), American Recovery and Reinvestment Act Funds (ARRA) reviewed the Monterey County Workforce Investment Board's (WIB) ARRA funds received for the Workforce Investment Act (WIA) programs. The WIB commissioned the Monterey County Office of Employment Training (OET) as the System Administrator to provide the services for WIA programs. The OET is a division of the Monterey County Department of Social and Employment Services and functions as part of Monterey County's One-Stop Career Centers. Although OET administers the program, the WIB is responsible for ensuring all ARRA funds are spent appropriately and in accordance with applicable laws and regulations.

Scope

The WIB was awarded ARRA funds totaling \$7,701,560. Of that amount, the WIB has received \$4,744,972 for the following federal WIA programs: ARRA Youth Program (\$2,409,612), ARRA Adult Program (\$1,029,384), ARRA Dislocated Worker Program (\$1,263,252), and ARRA Rapid Response Program (\$42,724).

The IG conducted a review of ARRA funds received and expended for the period February 17, 2009 through December 31, 2009. The review's objectives were to determine if the WIB properly accounted for and used ARRA funds in accordance with ARRA requirements and applicable laws and regulations.

The WIB's management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and program requirements as well as evaluating the efficiency and effectiveness of the program. Unless identified during our review of ARRA funds, we did not assess the efficiency or effectiveness of program operations.

Methodology

Because the WIB acted only as an oversight and monitoring authority, the review was conducted of OET. The OET's accounting records and supporting documents were reviewed to determine if ARRA funds were properly accounted for and expended. Costs allocated to various OET programs and the allocation

method was reviewed for propriety and reasonableness. To determine whether revenues and expenditures complied with applicable laws and regulations, the following procedures were performed:

- Interviewed key personnel and reviewed applicable policies and procedures to gain an understanding of program-related internal controls.
- Reviewed participant files and contracts between OET and subcontractors.
- Reviewed revenues to determine if they were properly recorded and supported.
- Selected a sample of expenditures reported to determine whether they were:
 - Allowable
 - Program related
 - Incurred within the reporting period
 - Adequately supported
 - Properly recorded

Summary of Review

The federal Workforce Investment Act (WIA) offers a comprehensive range of workforce development activities through statewide and local organizations. Available workforce development activities provided in local communities can benefit job seekers, laid-off workers, youth, incumbent workers, new entrants to the workforce, veterans, persons with disabilities, and employers. The purpose of these activities is to promote an increase in the employment, job retention, earnings, and occupational skills improvement by participants.

The review disclosed several significant issues. Specifically, the lack of a valid agreement between the WIB and OET, inadequate supporting documentation and case notes, inappropriate eligibility determinations and job placements, inadequate process for reviewing contractors' reimbursement requests, and incorrectly reporting the job calculation. In addition, we noted that the WIB has an internal monitoring staff that provides oversight and monitoring services. The WIB should be proactive by supporting their monitoring staff and ensure that the issues identified are resolved.

Review Findings

No Valid Agreement between the WIB and OET

In 2005, the WIB and OET separated into two separate and distinct Monterey County entities, with the WIB retaining oversight and monitoring of OET functions as part of Monterey County's workforce investment system. Since there is no contract or formal agreement between the WIB and OET, the partnership lacks a binding agreement to ensure that OET performs in accordance with the WIB's policies and procedures and is accountable for the ARRA funding it receives. Additionally, the lack of a formal agreement between the WIB and OET creates an uncertainty and ambiguity of authority for the WIB and an apparent lack of adequate separation for the WIB and OET's functions.

Failure to Retain Supporting Documentation for Eligibility Determinations

Right to work and eligibility documents were not retained in participant files for the Adult and Dislocated Worker programs. As part of its intake process, OET used a Data Element Verification form to indicate that documents were seen and verified by staff, with many participants deemed eligible based on the applicant's verbal statement of eligibility. To improve transparency and accountability and to ensure that only eligible participants received ARRA funding, verifiable physical documentation should

be maintained. At a minimum, documentation should include a signed written statement from the applicant regarding their eligibility.

Participants' Files Fail to Support Training Needs

The need for paid work experience and/or on-the-job training for ARRA Adult and ARRA Dislocated Workers were not properly documented. The participants' files and case notes were reviewed; however, the rationalization for why training was needed was not documented. Our review indicated that many participants who completed a three-month paid work experience continued with the same employer for an additional three months for paid on-the-job training. Additionally, justification to support the need for additional paid services was not documented. In the 16 files reviewed, the employer's weekly evaluations for participants in work experience showed that the participants were doing well. Therefore, the need for the participant to continue their employment through a paid on-the-job training contract was not sufficiently documented or warranted. As a result, we were unable to determine if the training was adequate, appropriate, or even necessary.

Section 20 CFR 663.220 (a) & (b) provides that adults who may receive intensive (work experience) services are adults and dislocated workers who are employed or unemployed, have received at least one core service, and are unable to obtain employment through core services, and are determined by a One-Stop operator to be in need of more intensive services to obtain employment.

Section 20 CFR 663.310 (b) states Training services (on-the-job training) may be made available to employed or unemployed adults and dislocated workers who: after an interview, evaluation, or assessment, and case management, have been determined by a One-Stop operator/partner, to be in need of training services and to have the skills and qualifications to successfully complete the selected training program.

Lack of Justifications Fuel Appearance of Revolving- Door Employment

Our review of the OET's job placement process indicated that in some cases, participants who had been laid off or terminated from an employer were placed in work experience or on-the-job training with the same employer or in the same type of employment. In some cases, we found that food service workers, medical assistance workers, and trades persons with core job skills were placed in jobs that were remarkably similar to their prior employment and received three months of work experience and/or on-the-job training in jobs they already had the skills to perform.

Because justification for some placements were vague, incomplete, or absent, the OET's decision to place participants who were laid off or terminated from an employer in work experience or on-the-job training with the same employer gave the appearance that the employers had the intent to layoff or terminate the employee for benefit of having subsidized employees for their businesses.

Additionally, a review of the case notes for program participants revealed that case notes were not consistent and did not provide adequate information to support and justify services provided to the participants and/or did not reveal or reflect a basis for making training or job placement determinations. Because some case notes were poorly written, and may have been entered chronologically incorrectly, we were unable to determine if the regulations and process for providing services to ARRA Adult or Dislocated Worker participants were followed.

As a result, the placement process and determinations made for services provided to participants are not transparent, establish uncertainty, and provides the reviewer with concern that services were provided to ineligible participants.

The WIA Act, Section 181(a)(3)(A) and (B) precludes an employee from employment in a specified activity if any other individual is on layoff from the same or any substantially equivalent job with that employer; or the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant.

Therefore, OET's placement of participants in work experience or on-the-job training did not appear to be reasonable and seemed that OET was backfilling vacant jobs with the same employees who originally occupied the vacancies.

Misuse of American Recovery and Reinvestment Act Funds to "Train" Experienced Electricians as Electricians

Two Dislocated Worker participants were placed at a local import and resale furniture store to receive work experience as electricians. The participants were paid \$20 per hour and earned \$20,160 in participant salaries charged to the ARRA Dislocated Worker Program to install a lighting system in a warehouse used to store furniture.

Further inquiry regarding training and supervision of the participants disclosed that the furniture store owner did not have staff with skills, training, or qualifications to offer adequate supervision to the participants. The furniture store owner told us that the participants did not need supervision because both participants had 10 years of prior work experience as electricians. Also, we found the owner had originally researched the option to hire an electrician to provide the services, but determined that the option of hiring electricians who charged a minimum of \$70 per hour was too expensive.

The participants worked 504 hours during their three-month work experience, 24 hours more than they should have been reimbursed through the contract. Additionally, during long periods of delays while waiting for parts or electrical equipment to arrive the participants assisted with furniture delivery and set up at \$20 per hour.

The placement and employment of these participants is an egregious disregard and circumvention of program requirements, criteria, and contract and may not be an isolated incident. Work experience is designed to provide eligible participants training through actual work opportunities experienced in a work setting, and the opportunity to learn new skills that relate to their career goals, with adequate supervision to ensure that participants acquire useful skills for gaining long term employment.

Office of Employment Training is Not Adequately Reviewing Contractors' Reimbursement Requests

The OET is not adequately reviewing reimbursement requests submitted by its contractors to ensure all costs are eligible and supported prior to approving and making payments. We reviewed 11 reimbursement requests from 5 contractors (approximately 55 percent of all reimbursements) and determined that \$28,984 out of \$148,337 claimed contractor expenditures (20 percent) were ineligible or lacked sufficient documentation.

The following was noted during our review:

- Hartnell Community College was reimbursed \$54,000 for a contracted amount not to exceed \$84,000 for a summer readiness program to a maximum of 75 youth (\$1,120 per youth). The contract stipulated that a minimum of 45 youth would be served for the sum of \$50,400 (\$1,120 per youth). The contract language was silent on payment to Hartnell Community College should the minimum of 45 youth not be served, and supporting documentation indicated that only 26 youth were enrolled in the program. Because Hartnell Community College did not perform under the terms of the contract, they should not have been paid. However, conservatively, we are identifying an overpayment of \$24,880.
- Rancho Cielo Inc. billed for employees salaries and benefits at a higher rate than the amount allowed by contract terms. They were reimbursed \$3,919 for ineligible unallowable cost.
- The Boys and Girls Club of Monterey County did not provide adequate supporting documentation for \$185 in transportation cost.

Office of Employment Training Incorrectly Reported Jobs Created

For the periods ended September 30, 2009 and December 31, 2009, OET respectively reported 78 and 186.5 jobs created and retained. Based on IG staff computation, OET should have reported 209 (under reported by 13.1) and 68 (over reported by 179.7).

Failure to Seek Guidance and Clarification of Program Requirements

During our review, WIB and OET management disclosed that based on their interpretation of directions provided by Employment Development Department (EDD) a paperless process for determining eligibility was allowable. Consequently, the WIB and OET management, created a checklist process that did not include maintaining copies of documents required to establish eligibility for WIA and WIA ARRA participants. From July 1, 2009 through April 10, 2010 approximately 3,000 participants were processed and right to work or eligibility documentation was not retained.

We found that the paperless process concepts introduced by EDD, were circulated as draft directives to solicit comments prior to submission to the Department of Labor, and were not formalized or issued as final directives. The WIB management did not take proper action and the initiative to clarify and correct their understanding of the paperless process with EDD.

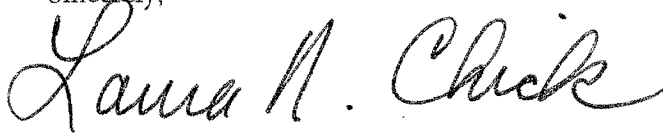
Conclusion

To allow for transparency and accountability of ARRA funds, the WIB should observe all federal and state directives to ensure that: ARRA fund are spent and accounted for in accordance with applicable laws, rules, and regulations and that appropriate services are provided to eligible recipients. If the WIB plans to continue to use OET to administer the program, a written agreement should be executed to ensure that the functions of OET and the WIB serve to better define and strengthen their partnership. Finally, the WIB should more actively oversee the expenditure of ARRA funds, OET and its processes, and its subcontractors.

In accordance with the Inspector General's policy of increased transparency, the final report will be placed on our website, <http://www.inspectorgeneral.ca.gov>.

We appreciate the assistance and cooperation of the WIB and OET. If you have any questions regarding this report, please contact, Linda Ellis, Supervisor, at (916) 323-9033.

Sincerely,

A handwritten signature in black ink that reads "Laura N. Chick". The signature is fluid and cursive, with the first name "Laura" being the most prominent part.

LAURA N. CHICK
California Inspector General
American Recovery and Reinvestment Act Funds

cc: Ms. Loyanne Flinn, Interim Director, Monterey Workforce Investment Board
Ms. Lynda Dunn, Director, Office for Employment Training
Mr. Nerahoo Hemraj, Chief Deputy Auditor – Controller, County of Monterey, Office of the Auditor-Controller
Mr. William L. Gray, Internal Auditor III, County of Monterey, Office of the Auditor-Controller
Ms. Pam Harris, Acting Director, Employment Development Department
Mr. Gregory Riggs, Deputy Director of Policy, Accountability, and Compliance Branch, Employment Development Department

July 12, 2010

Laura Chick
California Inspector General
American Recovery and Reinvestment Act Funds
1400 Tenth Street, Suite 100
Sacramento, CA 95814

Dear Ms. Chick:

Please find attached your original draft review of Monterey County's Workforce Investment System with the response to each finding included. Thank you for the opportunity to respond and provide the context that Monterey County faced in providing a workforce investment program that was responsive to community needs during the deepest points of the Great Recession. It is unfortunate that the review did not include this context or any apparent acknowledgement of the urgency that communities with extremely high unemployment like Monterey County faced. Our innovative and impactful local efforts reflect the expectation that resources from the Recovery Act needed to make a difference to individuals losing their livelihood and businesses struggling for survival.

Sincerely,



Elliott Robinson
Director

Attachments: Original Draft with Responses
Monterey County Workforce Investment Board adopted Local Policy Bulletin 2008-03
Workforce Services Draft Directive DD-11
WSIN 09-49
TEGL 14-08 (pages 1-22)
TEGL30-09
OET Employer Agreement
Rancho Cielo Overpayment

cc: Mr. Nerahoo Hemraj, Chief Deputy Auditor – Controller, County of Monterey, Office of the Auditor-Controller
Mr. William L. Gray, Internal Auditor III, County of Monterey, Office of the Auditor-Controller
Ms. Pam Harris, Acting Director, Employment Development Department
Mr. Gregory Riggs, Deputy Director of Policy, Accountability, and Compliance Branch, Employment Development Department

Original Draft OIG Findings with Responses

Review Findings

No Valid Agreement between the WIB and OET

In 2005, the WIB and OET separated into two separate and distinct Monterey County entities, with the WIB retaining oversight and monitoring of OET functions as part of Monterey County's workforce investment system. Since there is no contract or formal agreement between the WIB and OET, the partnership lacks a binding agreement to ensure that OET performs in accordance with the WIB's policies and procedures and is accountable for the funding it receives. Additionally, the lack of a formal agreement between the WIB and OET creates an uncertainty and ambiguity of authority for the WIB and an apparent lack of adequate separation for the WIB and OET's functions.

Response: *The current MOU was put into place in September 2000. The WIB and OET were separated in 2003. Prior to the 2003 reorganization, OET was managed by a Program Administrator who reported to the WIB Executive Director, but the organizational entity was still treated as a separate administrative entity from the WIB. The WIB and OET were both administrative entities under the auspices of the Board of Supervisors.*

Since 2007 negotiating and redrafting this agreement was a continuing, but uncompleted project assigned to the WIB Executive Director. Concerns regarding the update of the MOU were mitigated by the following: 1) the term was specified as valid until terminated, 2) both organizations remain as administrative entities under the auspices of the Board of Supervisors, and 3) no concerns had been raised prior to those raised in this review. It is noted that September 2000 MOU is annually included in the WIB's Local Plan Modification.

Monterey County has prioritized completion of the new MOU as recommended. Finalization is anticipated by the end of August 2010. A draft MOU will be completed in August 2010 and forwarded for review and approval by the Workforce Investment Board no later than October 2010.

Failure to Retain Supporting Documentation for Eligibility Determinations

Right to work and eligibility documents were not retained in participant files for the Adult and Dislocated Worker programs. As part of its intake process, OET used a Data Element Verification form to indicate that documents were seen and verified by staff, with many participants deemed eligible based on the applicant's verbal statement of eligibility. To improve transparency and accountability and to ensure that only eligible participants received ARRA funding, verifiable physical documentation should be maintained. At a minimum, documentation should include a signed written statement from the applicant regarding their eligibility.

Response:

The Monterey County Workforce Investment Board adopted Local Policy Bulletin 2008-03 (attachment 1) on August 6, 2008 establishing the Definition of Adult and Dislocated Worker Eligibility Documentation and Verification. This policy was adopted consistent with Workforce Services Draft Directive DD-11, dated June 16, 2008(attachment 2) which revised guidelines for customer data verification. This draft directive followed the principles of Learning Lab Draft Directive DD-10, but applied specifically to local areas that were not designated as Local Learning Labs.

Draft Directives from EDD had routinely been adopted and at the time there was no reason to believe that this particular draft directive would be different. The minutes from the February 26, 2010 Local Workforce Investment Area Advisory Committee Conference Call on WSIN 09-49 note (attachment 3):

Paperless/ Documentation—In the Spring of 2008, the State of California thought we had reached an agreement with the DOL to allow the learning labs to establish a "paperless" customer flow. This was the basis for Draft Directive LLDD-10 - Integrated Reporting and Program Accountability dated June 5, 2008. California used the State of New York's model as the basis for this process. During a January 2010 DOL data validation review, California learned that DOL had not reached an agreement. **The EDD acknowledged responsibility for any Learning Lab that implemented the process outlined in Draft Directive LLDD-10 [emphasis added]**. Jessie Mar from Program Review Branch indicated that the EDD monitors were looking at the documentation and would also try to validate the LWIA paperless process. The State is not asking for any hardcopy documents except those that were picked in the monitoring sample. By March 10, 2010, the State will put out a draft policy revision to LLDD-10. Also, the Learning Labs will be invited to a meeting hopefully in early March to discuss the policy revision. The EDD is also trying to partner with the Department of Motor Vehicles to provide validation for the date of birth based on drivers' license information.

On April 5, 2010 DD-38 was issued that superseded those guidelines. On May 5th, Monterey County formally updated WIB policies on the Definition of Adult and Dislocated Worker Eligibility Documentation and Verification to be compliant with the subsequent EDD draft directives. OET implemented the updated policy in April, 2010, prior to its formal adoption. This was done in order to stay current with the most current understanding of State and Federal policy, while continuing efforts to streamline workload and provide the most seamless possible customer service. EDD's finalized directive is WSD09-18 issued June 17, 2010.

EDD recognized that this issue was not unique to Monterey County; the difficulty faced by many local workforce investment areas across the state in interpreting and implementing EDD's Draft Directives is highlighted by WSIN 09-04 which was released on February 9, 2010. This information notice begins:

The purpose of this Information Notice is to inform the Workforce Development Community of recent communication received from the Department of Labor (DOL) Region 6 expressing concerns about California's approach to data validation and customer data collection. An email from DOL Region 6 dated January 20, 2010, stated, "There seems to be confusion regarding the use of 'paperless,' as allowable source documentation. Although there can be many interpretations of 'paperless,' from no documentation to staff reviewing the documentation and making an entry in the State's Management Information System (MIS), not all forms of 'paperless' are allowable under Employment and Training Administration (ETA) guidelines. Specifically, ETA interprets 'paperless' to be a scanned document that is maintained, a cross match with a non-WIA system, or the State's MIS. It is important to note, though, that when the State MIS is used as the source documentation, there must also be more than a checked box or indication of dates. There must be specific and detailed information that supports the checked box or dates in order to be allowable source documentation. This also applies to the use of a cross match in that the cross match must indicate detailed supporting information and not just the matching of a particular item, for example a Social Security Number. Two data elements, Veteran's Status (for those receiving intensive or training services) and Date of Birth, are the two most stringent for documentation. The allowable source documents for these must be paper

in the file, electronically scanned documents, or a cross match with non-WIA system."

Monterey County acknowledges that Department of Labor clarified their policy one and half years after California believed an agreement had been reached and that the policy implemented here locally was not consistent with the Department of Labor's later direction.

At the request of EDD, copies of eligibility documents verifying eligibility for 55 of 59 participant files reviewed by EDD monitors in March 2010 were provided. Contact with the remaining four to retrieve verifying eligibility documents has not yet been successful. As noted above the local practice was changed in April 2010 and the formal policy was revised in May 2010. Future WIB monitoring will sample files from April 2010 through June 2010 to assure maintenance of eligibility and right to work documentation.

Participants' Files Fail to Support Training Needs

The need for paid work experience and/or on-the-job training for ARRA Adult and ARRA Dislocated Workers were not properly documented. The participants' files and case notes were reviewed; however, the subject of need or the benefit the training would provide for the participants was not addressed. Our review indicated that many participants who completed a three-month paid work experience and continued with the same employer for an additional three months for paid on-the-job training. In the 16 files reviewed, the employer's weekly evaluations for participants in work experience showed that the participants were doing well. Therefore, the need for the participant to continue their employment through a paid on-the-job training contract was not sufficiently documented nor warranted. As a result, we were unable to determine if the training was adequate, appropriate, or even necessary.

20 CFR 663.220 (a) & (b) states that adults who may receive intensive (work experience) services are adults and dislocated workers who are employed and unemployed, have received at least one core service, and are unable to obtain employment through core services, and are determined by a One-Stop operator to be in need of more intensive services to obtain employment.

20 CFR 663.310 (b) states Training services (on-the-job training) may be made available to employed and unemployed adults and dislocated workers who: after an interview, evaluation, or assessment, and case management, have been determined by a One-Stop operator/partner, to be in need of training services and to have the skills and qualifications to successfully complete the selected training program.

Response: *The State Inspector General's Office fails to recognize the extreme nature of the competing demands on the county's workforce investment system during the period of this review. Given the severity and depth of the current recession, the Federally expressed urgency of using ARRA funds to bring employment to dislocated and adult job seekers, and the difficulty faced by industries throughout the community, the workforce system in Monterey County engaged employers to expand skill development and promote job placement through on-the-job-training and work experience contracts when it was indicated such activity would lead to employment of participants. Determination of need took into account the community's difficult labor market- the 2009 unemployment rate for Monterey County as a whole was 12% and for the Salinas Valley over 17%. When case managers determined that an additional three months of on-the-job training after work experience would lead to employment this further intensive activity was authorized.*

TEGL 14-08 (attachment 4) includes directions to be expeditious in rolling out ARRA program in order to support the recovery of local, regional, and state economies. The TEG also notes the value and research basis for on-the-job-training. Further, it points out that the assessment is based on individual needs and not an assumed value for only using one modality or particular order of services (work experience or on-the-job training) to meet the needs of the individual.

Under General Policy Guidelines (Section 5)

Another guiding principle is the timely spending of funding and implementation of activities contained in the Recovery Act. The Act is intended to stimulate the nation's economy and provide quick assistance to those impacted by the economic downturn, which is reflected in the Congress's requirement that ETA allot the WIA and Wagner-Peyser formula funding in the Act within 30 days of enactment. In turn, ETA is requiring states to allocate their funds to local areas within 30 days of their receipt of funding. **States and local areas are expected to move quickly to use the Recovery Act funding, in conjunction with other available funds, to provide career assessments, remedial and occupational training and job search assistance to unemployed workers; help youth access the services they need to pursue education and employment; assist businesses in hiring qualified workers; and other activities that can aid in the recovery of local, regional, and state economies.** [emphasis added]

Under Additional Guidance for WIA Adult and Dislocated Worker Programs (Section 13)

A. Training Activities - ETA encourages states to consider using the six methods of providing training listed below in utilizing the WIA Adult and Dislocated Worker funds provided in the Recovery Act: 1) Individual Training Accounts; 2) Customized training; 3) On-the-job training; 4) Contracts with institutions of higher education and other eligible training providers; 5) Contracts with community-based organizations for the provision of training; and 6) Registered apprenticeship.

- Individual Training Accounts allow job seekers maximum flexibility in selecting training providers to meet their training and education needs.

- Customized training is designed to meet the special requirements of an employer or group of employers and is conducted with a commitment by the employer to employ an individual on successful completion of the training. The employer pays for not less than 50 percent of the cost of the training. Customized training is a valuable tool to create specific training for an employer or group of employers with jobs available that require similar skill needs that results in positive employment outcomes for individuals upon completion of training.

- On-the-job training (OJT) provides job seekers with work experience and skills training needed to successfully obtain and retain employment. Under OJT, the employer is provided up to 50 percent of the costs of training calculated and paid on a wage reimbursement basis. National outcome data shows that outcomes for individuals completing OJT are higher than for those using other

training methods. Additionally, research on successful adult learning strategies indicates that "earn-while-you-learn" models are critical to the successful training outcomes. [emphasis added]

- Contracts with institutions of higher education and other training providers allow LWIBs to work directly with institutions of higher education, such as community colleges, and other training providers to quickly design education and training to fit the needs of the job seekers and employers they are serving. Given the budget restrictions many states and regions are facing, these contracts are intended to provide a means of quickly ramping up much-needed training capacity.

- Contracts with community-based organizations. WIA section 134(d)(4)(G) gives local areas the flexibility to contract directly with community-based organizations to provide training, in lieu of Individual Training Accounts, if the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization to serve special participant populations that face multiple barriers to employment.

- Registered apprenticeship combines education and work experience resulting in a nationally recognized portable credential and offers adults and dislocated workers a career pathway into specific fields. There are a number of creative ways to utilize WIA funding in support of both pre-apprenticeship and apprenticeship programs. See TEGL No. 2-07, "Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System," and the recently updated apprenticeship regulations (73 Fed. Reg. 64402 (Oct. 29, 2008)) for more information.

B. Sequence of Service - In this guidance, ETA is clarifying requirements in WIA regulations related to sequence of services for the WIA Adult and Dislocated Worker programs as follows:

- Before providing intensive services, a local area must determine that an individual is unable to obtain employment through core services, among other criteria.

- To provide training services to an individual, the local area must determine that an individual is unable to obtain employment through intensive services, among other criteria. **As stated in the preamble to the WIA regulations, these determinations do not mean that the individual must go through layers of service to prove that need; the determination of need itself can be a core and/or intensive service, such as an assessment or development of an Individual Employment Plan. Thus, a case worker could initially meet with a participant at a One-Stop Career Center, assess his or her skills and consider labor market conditions, and determine that core or intensive services will not be sufficient to result in employment for the participant. The provision of training or other needed services can then be provided sequentially, concurrently, or in whatever order makes the most sense for the individual.**

[emphasis added]

With this context for the use of ARRA funding for WIA activities, Monterey County expanded services rapidly and began utilizing paid work experience and on-the-job-training (modalities that previously were only made available by subcontractors serving the hardest to serve adult program participants.) The incorporation of on-the-job-training and work experience internships was a new effort for the Office for Employment and Training. It was adopted in recognition of the

national research that promoted “earn-while-you-learn” models and the urgency of addressing the community’s economic challenges.

Workload realities faced by program staff made it more difficult to balance the value of more detailed case notes with the Department of Labor’s urgency, the importance of using research based models that were new practices for the organization, the extremely high unemployment rate in the local labor market and heavy job seeker demand. The Great Recession entailed immense growth in workload. This placed huge pressures on program staff to focus on the immediate needs of job seekers entering the One Stop and for the county’s management to hire and train temporary staff in a short time frame. These pressures resulted in diminished capacity to record detailed case notes.

*While it is disappointing that the context was not noted by the State Inspector General’s Office, Monterey County acknowledges the value of more detailed case notes. Since the EDD file review conducted in March, 2010, case managers have received direction and training to provide case notes that more clearly articulate the determination of need. It should also be noted that this determination of need includes review of the Department of Labor’s O*NET Specific Vocational Preparation codes and information which helps the customer and case manager determine need for and length of training. This information is now being more expressly identified in case files so that third party review of the files does not result in questioned need for training. Future WIB monitoring will sample files from April 2010 through June 2010 to assure clear documentation of training need.*

Lack of Justifications Fuel Appearance of Revolving Door Employment

Our review of the OET’s job placement process indicated that in some cases, participants who had been laid off or terminated from an employer were placed in work experience or on-the-job training with the same employer or in the same type of employment. In some cases, we found that food service workers, medical assistance workers, and trades persons with core job skills were placed in jobs that were remarkably similar to their prior employment and received three months of work experience and/or on-the-job training.

Because justification for some placements were vague, incomplete, or absent, the OET’s decision to place participants who were laid off or terminated from an employer in work experience or on-the-job training with the same employer gave the appearance that the employers had the intent to layoff or terminate the employee for benefit of having subsidized employees for their businesses.

Additionally, a review of the case notes for program participants revealed that case notes were not consistent and did not provide adequate information to support and justify services provided to the participants and/or did not reveal or reflect a basis for making training or job placement determinations. Because some case notes were poorly written, and may have been entered chronologically incorrectly, we were unable to determine if the regulations and process for providing services to ARRA Adult or Dislocated Worker participants were followed.

As a result, the placement process and determinations made for services provided to participants are not transparent, establish uncertainty, and provides the reviewer with concern that services were provided to ineligible participants.

The WIA Act, Section 181(a)(3)(A) and (B) precludes an employee from employment in a specified activity if any other individual is on layoff from the same or any substantially equivalent job; or the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant.

***Response:** The WIA Act Section 181 (b)(3)(A) through (C) precludes an employee from employment in a specified activity if any *other* individual is on layoff from the same or any substantially equivalent job; or the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the *intention* of filling the vacancy so created with the participant. The Act does not preclude services to those who would potentially face layoff or the rehire of those let go. Specifically this section of the Act states:*

- (3) Other prohibitions.--A participant in a specified activity shall not be employed in a job if--
- (A) any other individual is on layoff from the same or any substantially equivalent job;
 - (B) the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant; or
 - (C) the job is created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals (as of the date of the participation).

The strategy noted above was an admittedly unorthodox approach utilized with Dislocated Worker program participants when it was determined that providing employees with further skill building opportunities while on the job would likely lead to preservation and enhancement of the work opportunity that otherwise was scheduled to be eliminated. TEGL30-09 Layoff Aversion Definition and the Appropriate Use of Workforce Investment Act Funds for Incumbent Worker Training Using A Waiver, issued on June 8, 2010 (attachment 5.) addresses this strategy:

5. Benefits of Layoff Aversion.

There are many benefits that accrue to workers, employers, taxpayers, and communities when layoffs are averted. For workers, the loss of income and benefits associated with unemployment can be financially devastating and risks the well-being of the worker's family. Retaining the same position or transitioning to a different position with retooled skills at a comparable wage maintains financial stability compared to the loss of income sustained when drawing unemployment compensation, which on average is 36 percent of the worker's average weekly wage when employed.

For employers, retaining a known reliable worker can save costs associated with severance; costs associated with having unfilled, vacant job openings; costs associated with recruiting and orienting a new employee with requisite skills to the procedures, culture and systems of the company that the former worker already knew; and intangible costs such as avoiding lower overall company morale for remaining workers when their co-workers are laid off. Additionally, layoffs often lead to increases in that employer's unemployment compensation tax rates.

For taxpayers, averting layoffs saves outlays from unemployment trust funds and other taxpayer-funded services that the unemployed worker may draw. Finally, for communities, averting

layoffs is far less disruptive and costly compared to providing emergency food and health services to financially strained families, and the loss of property taxes associated with high home foreclosure rates. It also facilitates the maintenance of overall community economic wellness, which can be threatened when a mass layoff creates tertiary layoffs due to reduced overall consumption in the community.

8. Layoff Scenarios and Identifying Appropriate Workforce System Involvement.

The workforce investment system has a variety of funds and service strategies available to avert layoffs or mitigate their impacts. Below are scenarios to clarify which funding sources and strategies may be most appropriate in a given situation.

- **Scenario 1: A worker receives a layoff notice. The workforce system could provide assistance through Rapid Response and/or WIA Dislocated Worker funds. [emphasis added]**
- Scenario 2: A worker's layoff has been certified as trade-related. Assuming the worker group has been certified as eligible for Trade Adjustment Assistance (TAA), the workforce system could utilize TAA funds, including TAA for communities authorized under the American Recovery and Reinvestment Act of 2009.
- Scenario 3: An employer has been determined to be at risk for layoff unless workers receive training on a new production technology. The workforce system could provide IWT using its WIA statewide discretionary funds or IWT using local formula or Rapid Response funds with an approved waiver, assuming the situation meets the state developed criteria for the use of such funds. The workforce system could also leverage other funds in the community such as from employers, community colleges, and others.
- Scenario 4: An employer wants to re-train workers to produce a new product line. The workforce system could provide IWT using its WIA statewide discretionary funds, fee for-service, and/or leverage other funds in the community such as from employers, community colleges, and others. Use of waived funds for IWT is not appropriate because a layoff risk has not been identified.

Locally, layoff aversion services were initiated in recognition of the benefits described above and were offered to job seekers who faced layoff.

Dislocated workers coming to the One Stop for service advised the case manager of their last employer. The case manager then contacted the employer to identify the circumstances of the layoff. If the employer was able to take the employee back and provide training for a substantially different position, the employee was put back to work in a work experience and/or on-the-job-training position. The employer provided assurance that work experience participants did not displace regular employees. In all cases, the employer was contacted after it was clear that the layoff had occurred. These services were provided compliant with the exclusions in Section 181 (b)(3)(A) through (C) and 20 CFR 667.270 (a) and (c). Caution is used

in all cases to prevent any of the above labor standards from being violated and the employer signs a form indicating that these issues have not occurred. In all cases, an Employer Agreement (attachment 6) was signed and maintained in the case files.

In several instances newer employees with limited job experience were released. Using the Department of Labor's O*NET system it was determined that the positions had a training period of 1-4 years, well beyond the participants' experience. The work experience positions provided participants with an opportunity to continue to train and gain valuable experience in the field of their choice. Additionally there were instances where participants were placed in work experience and on-the-job-training placements somewhat comparable to those from which they were initially terminated or laid off. Again, in these instances Department of Labor's O*NET system indicated significant training period beyond the participants experience level in order to be proficient on the job. OET, in fact, chose to limit the training to a maximum of 6 months (3 months of work experience/internship and 3 months of on-the-job-training) in order to serve more customers with available funds.

In these cases participants were provided training through actual work opportunities with experience in a real work setting to learn specific skills in the world of work – consistent with the guidance in TEGL 14-08 (attachment 4) that states:

- On-the-job training (OJT) provides job seekers with work experience and skills training needed to successfully obtain and retain employment. Under OJT, the employer is provided up to 50 percent of the costs of training calculated and paid on a wage reimbursement basis. National outcome data shows that outcomes for individuals completing OJT are higher than for those using other training methods. Additionally, research on successful adult learning strategies indicates that "earn-while-you-learn" models are critical to the successful training outcomes.

As stated in the response to the prior finding, Monterey County pursued an approach that sought to be responsive to the Department of Labor's expectation to move quickly in using the Recovery Act funding to aid in the recovery of the local economy and to assist businesses in hiring qualified workers. This approach was pursued in a labor market with an extremely high unemployment rate (12.0% for Monterey County in 2009 and over 17% in the Salinas Valley) where industries and businesses were experiencing immense pressures. Monterey County's workforce system worked with employers to expand skill development and promote job placement through work experience and on-the-job training contracts when it was indicated such activity would lead to employment of participants.

Determination of need took into account the difficult labor market of 2009 consistent with the instructions of TEGL 14-08(attachment 4) which states:

- To provide training services to an individual, the local area must determine that an individual is unable to obtain employment through intensive services, among other criteria. As stated in the preamble to the WIA regulations, these determinations do not mean that the individual must go through layers of service to prove that need; the determination of need itself can be a core and/or intensive service, such as an assessment or development of an Individual Employment Plan. Thus, a case worker could initially meet with a participant at a One-Stop Career Center, assess his or her skills and consider labor market conditions, and determine that core or intensive services will not be sufficient to result in

employment for the participant. The provision of training or other needed services can then be provided sequentially, concurrently, or in whatever order makes the most sense for the individual.

While Monterey County defends its practice, the State Inspector General's Office finding of the weakness in case notes are valued and recognized. Local practice resulted from the immense pressure of rising to the challenge to serve a community in duress. After similar concerns were expressed by the EDD monitor in March, 2010, staff was directed to be more thorough and more clearly articulate the determination of need. Additionally, given the pressures from State oversight agencies to limit Monterey County's layoff aversion efforts these practices continue to be closely monitored by OET management staff and have been severely curtailed since the EDD monitoring report was issued. Future WIB monitoring will sample files from April 2010 through June 2010 to assure documentation of training need.

Misuse of ARRA Funds to "Train" Experienced Electricians as Electricians

Two Dislocated Worker participants were placed at a local import and resale furniture store to receive work experience as electricians. The participants were paid \$20 per hour and earned \$20,160 in participant salaries charged to the ARRA Dislocated Worker Program to installed a lighting system in a warehouse used to store furniture.

Further inquiry regarding training and supervision of the participants, disclosed that the furniture store owner did not have staff with skills, training, or qualifications to offer adequate supervision to the participants. The furniture store owner told us that the participants did not need supervision because both participants had ten years of prior work experience as electricians. Also, we found the owner had originally researched the option to hire an electrician to provide the services, but determined that the option of hiring electricians who charged a minimum of \$70 per hour was too expensive.

The participants worked 504 hours during their three month work experience, 24 hours more than they should have been reimbursed through the contract. Additionally, during long periods of delays while waiting for parts or electrical equipment to arrive the participants assisted with furniture delivery and set up at \$20 per hour.

The placement and employment of these participants is an egregious disregard and circumvention of program requirements, criteria, and contract and may not be an isolated incident. Work experience is designed to provide eligible participants training through actual work opportunities experienced in a work setting, and the opportunity to learn new skills that relate to their career goals, with adequate supervision to ensure that participants acquire useful skills for gaining long term employment.

Response: *The Monterey County Office of Employment Training set out to develop a strong relationship among the participants, education providers and business communities in our various cities through the use of innovative internship and job training agreements. This plan stemmed from both the spirit and letter of TEGL 14-08 (attachment 4), which states:*

In a stronger, more comprehensive One-Stop system, adults move easily between the labor market and further education and training in order to advance in their careers and upgrade their contributions to the workplace, while disconnected youth are able to reconnect through multiple pathways to education and training that enable them to enter and advance in the workforce. Adult education, job training, postsecondary education, registered apprenticeship, career advancement activities and supportive services are fully aligned with economic and community development

strategies, so as to meet the skill needs of existing and emerging regional employers and high-growth occupations as well as the needs of under-skilled adults.

As stated earlier, Monterey County acknowledges the fact that case notes and other means of justification were insufficient. However, the work experience provided in this case was designed to allow the participants, unlicensed contractors with experience in residential electrical, an opportunity to build exposure and work history in a commercial electrical setting. The training plan developed in conjunction with the employer (included in the case file) also noted the opportunity for the participants to learn inventory, warehousing, and supervisory skills while on the worksite. These additional skills were deemed appropriate, as both participants indicated an interest in pursuing a contracting business upon completion of the program. While Monterey County concedes that the case notes should have more clearly articulated the course of action, there are notes present that indicate both the case manager's and the employer's satisfaction with the clients' progress as it related to the training plan. At no time did Monterey County intentionally commit an "egregious disregard and circumvention of program requirements, criteria and contract".

As noted throughout the responses to the various findings, Monterey County has taken significant actions to ensure that the development of case notes, determination of training need, and the viability of participant success is well documented to ensure continued compliance with WIA regulations.

Monterey County also notes the finding that the participants worked 24 more hours than they should have been reimbursed through their worksite agreement. This error will be corrected and funds corresponding to the 24 excess hours will be returned to the ARRA Dislocated Worker grant.

Office of Employment Training is Not Adequately Reviewing Contractors' Reimbursement Requests

The OET is not adequately reviewing reimbursement requests submitted by its contractors to ensure all costs are eligible and supported prior to approving and making payments. We reviewed 11 reimbursement requests from 5 contractors (approximately 55 percent of all reimbursements) and determined that \$28,984 out of \$148,337 claimed contractor expenditures (20 percent) were ineligible or lacked sufficient documentation.

The following was noted during our review:

- Hartnell Community College was reimbursed \$84,000 for service provided to 75 youth (\$1,120 per youth). However, supporting documentation indicated that only 26 youth were enrolled in the program, creating an overpayment of \$24,880.
- Rancho Cielo Inc. billed for employees salaries and benefits at a higher rate than the amount allowed by contract terms. They were reimbursed \$3,919 for ineligible unallowable cost.
- The Boys and Girls Club of Monterey County did not provide adequate supporting documentation for \$185 in transportation cost.

Response

The Hartnell College contract was for a total amount not to exceed \$84,000. The contract required that the college provide 82 hours of instruction in career exploration and workplace readiness for up to 75 participants. While a possible cost per student was mentioned in the contract, the actual payment made was based on an invoice and back-up data presented by the

college which covered the actual cost of the instructor, classroom and materials used. The invoice and payment were in the amount of \$54,000. This back-up data is available for review in the file.

Monterey County concurs with the finding that payments to Rancho Cielo for the salaries of two employees were overpaid in error. The contract specifically stated a certain wage and benefit amount, however the payment was invoiced and paid based on actual payroll records of the contractor which was at a higher rate. Staff reviewed invoices to assure payments were within the amount authorized under the contract, but to the level of salary levels estimated in the contract. Monterey County is contacting Rancho Cielo to advise them of the overpayment and will request for reimbursement of \$932 for one employee and \$3,219.84 for the second employee. Total reimbursement to the ARRA Youth Fund will be \$4,151.84. The method for calculating the overpayment is included on attachment 7. Reimbursements will be recorded as a return to expense to the ARRA Youth grant and expended appropriately prior to closing.

Further supporting documentation from the Boys and Girls Club is being requested to support the payment of \$185 for travel expenses. Transportation costs were split by week on the invoice and were so minimal, further backup was not requested at the time of payment.

Office of Employment Training Incorrectly Reported Jobs Created

For the periods ended September 30, 2009 and December 31, 2009, OET respectively reported 78 and 186.5 jobs created and retained. Based on IG staff computation, OET should have reported 209 (under reported by 13.1) and 68 (over reported by 179.7).

Response

Monterey County attempted to complete "Jobs Created" reports as best it could in an environment of changing instructions from EDD and OMB. From September 2009 through December 2009 EDD issued 5 clarifying e-mails. Among elements of the instructions that changed were whether or not Summer Youth Employment placements would be counted, whether job estimates would be reported cumulatively or quarterly, and whether a subjective judgment was needed to determine if jobs were created or retained as a result of the ARRA or simply funded with ARRA dollars.

At this time, Monterey County is reviewing recent direction, both written and verbal, comparing it to the findings of the State Inspector General reviewer to determine the most accurate way to present information for the ARRA reports. As recently as early July 2010 new instructions were provided on completing the ARRA Section 1512 Reports for number of jobs created. Corrected reports consistent with the most recent direction provided were prepared and submitted July 7, 2010.

Failure to Seek Guidance and Clarification of Program Requirements

During our review, WIB and OET management disclosed that based on their interpretation of directions provided by Employment Development Department (EDD) a paperless process for determining eligibility was allowable. Consequently, the WIB and OET management, created a checklist process that did not include maintaining copies of documents required to establish eligibility for WIA and WIA ARRA participants. From July 1, 2009 through April 10, 2010 approximately 3,000 participants were processed and right to work or eligibility documentation were not retained.

We found that the paperless process concepts introduced by EDD, were circulated as draft directives to solicit comments prior to submission to the Department of Labor, and were not formalized or issued as

final directives. The WIB management did not take adequate care, proper action, and the initiative to clarify and correct their understanding of the paperless process with EDD.

***Response:** This appears to be a repetition of the “Failure to Retain Supporting Documentation for Eligibility Determinations” finding. Rather than repeating the full response to the previous finding, two specific points bearing emphasis are reiterated:*

1) The minutes from the February 26, 2010 Local Workforce Investment Area Advisory Committee Conference Call (attachment 3) note:

Paperless/ Documentation—In the Spring of 2008, the State of California thought we had reached an agreement with the DOL to allow the learning labs to establish a “paperless” customer flow. This was the basis for Draft Directive LLDD-10 - Integrated Reporting and Program Accountability dated June 5, 2008. California used the State of New York’s model as the basis for this process. During a January 2010 DOL data validation review, California learned that DOL had not reached an agreement. **The EDD acknowledged responsibility for any Learning Lab that implemented the process outlined in Draft Directive LLDD-10 [emphasis added].** Jessie Mar from Program Review Branch indicated that the EDD monitors were looking at the documentation and would also try to validate the LWIA paperless process. The State is not asking for any hardcopy documents except those that were picked in the monitoring sample. By March 10, 2010, the State will put out a draft policy revision to LLDD-10. Also, the Learning Labs will be invited to a meeting hopefully in early March to discuss the policy revision. The EDD is also trying to partner with the Department of Motor Vehicles to provide validation for the date of birth based on drivers’ license information.

2) This issue was not unique to Monterey County; the difficulty faced by many local workforce investment areas across the state in interpreting and implementing EDD’s Draft Directives is highlighted by WSIN 09-04 which was released on February 9, 2010. This information notice begins:

The purpose of this Information Notice is to inform the Workforce Development Community of recent communication received from the Department of Labor (DOL) Region 6 expressing concerns about California’s approach to data validation and customer data collection. An email from DOL Region 6 dated January 20, 2010, stated, “There seems to be confusion regarding the use of ‘paperless,’ as allowable source documentation. Although there can be many interpretations of ‘paperless,’ from no documentation to staff reviewing the documentation and making an entry in the State’s Management Information System (MIS), not all forms of ‘paperless’ are allowable under Employment and Training Administration (ETA) guidelines. Specifically, ETA interprets ‘paperless’ to be a scanned document that is maintained, a cross match with a non-WIA system, or the State’s MIS. It is important to note, though, that when the State MIS is used as the source documentation, there must also be more than a checked box or indication of dates. There must be specific and detailed information that supports the checked box or dates in order to be allowable source documentation. This also applies to the use of a cross match in that the cross match must indicate detailed supporting information and not just the matching of a particular item, for example a Social Security Number. Two data

elements, Veteran's Status (for those receiving intensive or training services) and Date of Birth, are the two most stringent for documentation. The allowable source documents for these must be paper in the file, electronically scanned documents, or a cross match with non-WIA system."

Monterey County acknowledges that Department of Labor clarified their policy one and half years after California believed an agreement had been reached and that the policy implemented here locally was not consistent with the Department of Labor direction. At the request of EDD, copies of eligibility documents verifying eligibility for 55 of 59 participant files reviewed by EDD monitors in March 2010 were provided. Contact with the remaining four to retrieve verifying eligibility documents has not yet been successful. As noted above the local practice was changed in April 2010 and the formal policy was revised in May 2010 to address the reviewer's observation. Future WIB monitoring will sample files from April 2010 through June 2010 to assure maintenance of eligibility and right to work documentation.



Monterey County Workforce Investment Board (WIB)
LOCAL POLICY BULLETIN #2008-3

Attachment I

Adopted by the Monterey County Workforce Investment Board on August 6, 2008.

Effective Date: June 1, 2004
Supersedes WIB Policy 2003-16
Revision Date: July 1, 2008

To: All County of Monterey Providers of Workforce Investment Act (WIA) Title I Adult and Dislocated Worker Program Services

Subject: Local Monterey County Workforce Investment Board (WIB) definition of Adult and Dislocated Worker Eligibility Documentation and Verification

Purpose: This policy provides information and guidance pertaining to the Monterey County Workforce Investment Board's definition of WIA Title I Adult and Dislocated Worker eligibility documentation and verification procedures, as specified in the WIA Eligibility Technical Assistance Guide.

Reference:

- WIA Final Rule, 20 Code of Federal Regulations (CFR), Part 663—Adult and Dislocated Worker Activities under Title I of the Workforce Investment Act, Subpart A, Delivery of Adult and Dislocated Worker Services through the One-Stop Delivery System, Sections 663.105– 663.165
- Workforce Investment Act Eligibility Technical Assistance Guide, prepared by the California Employment Development Department (EDD), found online at the following website: http://www.edd.ca.gov/Jobs_and_Training/pubs/rwiad04-18.pdf

Policy: The Monterey County Workforce Investment Board adopts the following eligibility definitions and acceptable documentation, as specified in the WIA Eligibility Technical Assistance Guide. (Reference Attachment 1 – for a list of acceptable eligibility documentation and verification.)

Definitions:

1. **Verification** – means to confirm an eligibility requirement through examination of official documents or by verbally confirming information by speaking with representatives of appropriate agencies. In the case of verbal confirmation, written documentation of the conversation should be included in the file. (A case note in the file is sufficient written documentation.)
2. **Documentation** – means to maintain evidence of information obtained during the verification process. Such evidence is documented on Attachment # 2, titled Workforce Investment Act - Data Element Verification Form (revised 06/2008).
3. **Significant Staff Assistance** – is defined based on the nature of the service, not the amount of time involved. Services that assist the customer in deciding on appropriate next steps in the search for employment or related services, including assessment of an individual's immediate employability and barriers to employment, are significant staff assisted services. Initial assessment or job placement is a significant staff-assisted service and requires program enrollment and the collection of the applicable data detailed in Attachment 1.

Because the One Stop Career Center is establishing a “paperless” customer flow, WIA Title I Providers are not required to retain a customer signature on documents with the exception of the release of information.

Monterey County
Workforce Investment
Board (WIB)

Joseph Werner,
Executive Director

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Initial Data Collection Requirements – All Customers:

(Customers receiving self-service and information and intensive or training services)

These items are self-reported by the client. *The items in **bold** must be validated when the customer completes a staff-assisted service.

- Name
- Social Security Number
- Address
- County of Residence
- **Date of Birth***
- Disability Status
- Race/Ethnicity
- Gender
- Highest Grade completed
- **Veterans Status***
- Employment Status
- Farm Worker

Attachments:

1. **Attachment 1** - WIB Policy #2008-3 – List of Adult and Dislocated Worker Eligibility Documentation and Verification. This attachment details the additional data collection, reporting requirements, and supporting documentation for eligibility and enrollment of a customer who receives staff assisted core, intensive or training services, including training funded by the TAA program.
2. **Attachment 2** – WIA Data Element Verification Form

Inquiries: For questions or assistance related to this policy, please contact the Monterey County Workforce Investment Board (MCWIB) staff at (831) 796-3313.

This policy is posted on the MCWIB website located at:

<https://www.onestopmonterey.org/gsipub/index.asp?docid=591>

Sincerely,
Joseph Werner
Executive Director,
Monterey County Workforce Investment Board

Monterey County
Workforce Investment
Board (WIB)

Joseph Werner,
Executive Director

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Data Collection Requirements for Clients Receiving Staff Assisted Services (Initial Assessment, Intensive or Training Services)

Data Element (Job Training Automation system data field)	Customer Group	Requirement
Section 1, Data Elements Requiring Verification		
Age	Adults ²	Customers receiving services under the Workforce Investment Act (WIA) Adult or Dislocated Worker program must be 18 years of age or older. This data element must be verified. Staff must view the verifying document and record the document type, date, and their name. These data will be reported to the State through the Job Training Automation (JTA) System. Certification by a staff person constitutes a legally binding statement that is subject to audit. For a list of acceptable documentation, please refer to WIA Data Element Verification.
Right-to-Work in the United States	Adults	The California Unemployment Insurance Code Section 9601.5 requires that an individual receiving employment and training services in California have a legal right to work in the United States. Staff must view the verifying document and record the document type, date, and their name. These data will be reported to the State through the JTA System. Certification by a staff person constitutes a legally binding statement that is subject to audit. For a list of acceptable documentation for validation, please refer to WIA Data Element Verification and for more detail WIA Directive WIAD04-18, WIA Title I Eligibility Technical Assistance Guide, page 18.
Selective Service	Adult males	Section 189(h) of the WIA requires that a determination of selective service registration status be made prior to enrollment in WIA Title I-B funded programs. Staff must view the verifying document and record the document type, date, and their name. These data will be reported to the State through the JTA System. Certification by a staff person constitutes a legally binding statement that is subject to audit. For a list of acceptable documentation for validation, please refer to WIA Data Element Verification and for more detail WIAD04-18, WIA Title I Eligibility Technical Assistance Guide, page 18.
Veterans Status	Adults	In 2002 the <i>Jobs for Veterans Act</i> was revised to improve employment, training, and placement services furnished to veterans. Section 2(a) of the Act amended 38 U.S.C. 4215(a) by mandating priority of service for veterans (and some spouses) "who otherwise meet the eligibility requirements for participation" in the U.S. Department of Labor (DOL) programs. If the customer states they are a veteran they are entitled to priority of service and veteran's status must be confirmed through a Department of Defense Form 214 (DD-214) or other confirming document from the Department of Defense or Veterans Affairs. The applicable document must be viewed by the staff person and the staff person must record the document viewed, the date, and their name. For a list of acceptable documentation for validation, please refer to WIA Data Element Verification and for more detail WIAD04-18, WIA Title I Eligibility Technical Assistance Guide, page 20.

Data Element (Job Training Automation system data field)	Customer Group	Requirement
Nondiscrimination and Equal Opportunity Notification	Adults	Customers must be notified of nondiscrimination and equal opportunity grievance and complaint procedure required under the WIA Title I and Wagner-Peyser programs. The requirements are delineated in Workforce Investment Act Directive WIAD03-12 (April 14, 2004) and Workforce Services Directive WSD07-6 (January 16, 2008). Maintenance of a hardcopy notification form is not required. Staff must make an MIS case note indicating that this notification did occur, the date of notification, and their name.
Low Income Status	Adults	If the local area declares that funds are not limited [WIA Section 134(d) (4) (E), Title 20 Code of Federal Regulations 663.600] these three data fields may be reported solely based on the statement of the customer. If the local board has declared that funds are limited and therefore there is a priority of service for recipients of aid, verification of these data elements is required. Staff must view the verifying document and record the document type, date, and their name. These data will be reported to the State through the JTA System.
Recipient of Other Public Assistance		Certification by a staff person constitutes a legally binding statement that is subject to audit. For more detail on what documentation constitutes proper validation of these elements please refer to WIAD04-18, WIA Title I Eligibility Technical Assistance Guide, page 20.
Dislocated Worker/Displaced Homemaker/Date of dislocation	Dislocated Workers	If the customer is going to be served with Dislocated Worker funding staff must view a validating document and record the document viewed. For a list of acceptable documentation for verification, please refer to WIA Data Element Verification and for more detail WIAD04-18, WIA Title I Eligibility Technical Assistance Guide, page 22.

Data Element (Job Training Automation system data field)	Customer Group	Requirement
Section 2, Reportable, the customer provides this information		
The following fields are subject only to reporting in the MIS and are based on the statement by the customer (self-attestation). No data validation is required. Each of these data elements must be reported as specified in the Job Training Automation System Client Forms Handbook.		
Limited English Proficiency	Adults	Self-Attestation
Single Parent	Adults	Self-Attestation
Unemployment Insurance Status	Adults	Self-Attestation
Homeless	Adults	Self-Attestation
Offender	Adults	Self-Attestation
Rapid Response	Dislocated Worker	Self-Attestation

Data Element (Job Training Automation system data field)	Customer Group	Requirement
Section 3, Reportable Trade Adjustment Assistance (TAA) Data Elements	TAA	The following data are collected on the JTA TAA Screen or reported to the JTA system via the TAA Load File Layout available through the JTA Customer Help Desk. These data elements are required for annual reporting of the Trade Act Participant Report (TAPR). [Office of Mgmt and Budget 1205-0392, Expiration Date January 1, 2009]
Qualifying Separation Date	TAA	
EDD Office Number	TAA	
Date of TAA Application	TAA	
Petition Number	TAA	
Travel While in Training	TAA	
Subsistence Paid while in Training	TAA	
Occupation Skills Code	TAA	
Received Remedial Training	TAA	
Trade Readjustment Allowance(TRA)	TAA	
Additional TRA	TAA	
Remedial TRA	TAA	
Waiver from Training Requirement	TAA	
Job Search Allowance Paid	TAA	
Relocation Allowance Paid	TAA	
Enrollment in another Fed Program	TAA	

Section 4, All Employment & Training Services Received

All Customers

Report in accordance with the JTA reporting requirements all employment and training services received. [Workforce Services Draft Directive WSD-6, January 11, 2008] These services are reported on the JTA Enrollment Form(s) by funding stream supporting the service. All services (Core, Intensive, and Training) must be reported.

The referenced Draft Directive is under revision to incorporate changes made to support integrated serve delivery. A final JTA Client Forms Handbook directive will be issued prior to July 1, 2008.

¹ The field references refer to the Application unless otherwise indicated.

² The Adult customer group reference to individuals 18 years of age or older receiving significant staff assisted services regardless of the funding stream supporting those services.



WORKFORCE INVESTMENT ACT DATA ELEMENT VERIFICATION FORM

ATTACHMENT #2

SUBGRANTEE NAME MON	01 APPLICATION NUMBER	02 AGENCY CODE	SOCIAL SECURITY NUMBER
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LAST NAME	FIRST NAME/MIDDLE INITIAL
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SECTION A - Birth Date
(viewing one or more documents from this column is required)

Baptismal Record.....	<input type="checkbox"/>
Birth Certificate.....	<input type="checkbox"/>
DD-214.....	<input type="checkbox"/>
Report or Transfer or Discharge.....	<input type="checkbox"/>
Driver's License.....	<input type="checkbox"/>
Federal, State, or local ID.....	<input type="checkbox"/>
Passport.....	<input type="checkbox"/>
Hospital Record of Birth.....	<input type="checkbox"/>
Public Assistance/Social Services Records.....	<input type="checkbox"/>
School Records or ID card.....	<input type="checkbox"/>
Work Permit.....	<input type="checkbox"/>
Cross Match with Vital statistics.....	<input type="checkbox"/>
Tribal records.....	<input type="checkbox"/>

SECTION C - Dislocated Worker
(viewing one or more documents from this column is required)

Verification of Employer.....	<input type="checkbox"/>
Rapid Response List.....	<input type="checkbox"/>
Notice of Layoff.....	<input type="checkbox"/>
Public Announcement w/follow-up cross match w/UI..	<input type="checkbox"/>
Applicant Statement.....	<input type="checkbox"/>

SECTION D - Selective Service
(viewing one or more documents from this column is required)

Acknowledgement letter.....	<input type="checkbox"/>
DD-14.....	<input type="checkbox"/>
Selective Service Online Verification.....	<input type="checkbox"/>
Selective Service Status Information Letter.....	<input type="checkbox"/>
Selective Service Registration Card.....	<input type="checkbox"/>
Selective Service Registration Record (Form 3A).....	<input type="checkbox"/>
Selective Service Verification Form.....	<input type="checkbox"/>
Stamped Post Office Receipt of Registration.....	<input type="checkbox"/>
Other (see case notes).....	<input type="checkbox"/>

SECTION B - Income Eligibility
(viewing one or more documents from this column is required)

Low Income..... Y or N

Document viewed: _____ Y or N

TANF..... Y or N

Document viewed: _____ Y or N

Other Public Assistance..... Y or N

Document viewed: _____ Y or N

SECTION E - Veteran's Status
(viewing one or more documents from this column is required)

DD-14.....	<input type="checkbox"/>
Veteran's Administration Letter or Record.....	<input type="checkbox"/>

SECTION F - EEO/Grievance Information Provided
(providing this information to customers via handout is required)

Anti-Discrimination/EEO Rights Information Provided.	<input type="checkbox"/>
Grievance Procedures Information Provided to.....	<input type="checkbox"/>

SECTION G - U.S. Work Authorization
(Viewing documents that satisfies List A or a combination of List B AND List C of Form I-9 is required)

Indicate one or more viewing documents from List A or one document from both List B and List C

<p>List A - Verification Document that Establishes both Identity and Employment Eligibility</p> <table border="0"><tr><td>1. U.S. Passport (expired or unexpired).....</td><td><input type="checkbox"/></td></tr><tr><td>2. Permanent Resident or Alien Registration Card...</td><td><input type="checkbox"/></td></tr><tr><td>3. Unexpired Foreign Passport.....</td><td><input type="checkbox"/></td></tr><tr><td>4. Employment Authorization Document w/photo....</td><td><input type="checkbox"/></td></tr><tr><td>5. Unexpired 1) Foreign passport, & 2) Arrival-Departure Record.....</td><td><input type="checkbox"/></td></tr></table> <p>List C - Verification Document that Establishes Employment Eligibility</p> <table border="0"><tr><td>1. U.S. Social Security Card.....</td><td><input type="checkbox"/></td></tr><tr><td>2. Certificate of Birth Abroad.....</td><td><input type="checkbox"/></td></tr><tr><td>3. Original or certified copy of a birth certificate.....</td><td><input type="checkbox"/></td></tr><tr><td>4. Native American Tribal document.....</td><td><input type="checkbox"/></td></tr><tr><td>5. U.S. Citizen ID Card (Form I-197).....</td><td><input type="checkbox"/></td></tr><tr><td>6. ID card for use of a Resident Citizen of the U.S....</td><td><input type="checkbox"/></td></tr><tr><td>7. Employment authorization document.....</td><td><input type="checkbox"/></td></tr></table>	1. U.S. Passport (expired or unexpired).....	<input type="checkbox"/>	2. Permanent Resident or Alien Registration Card...	<input type="checkbox"/>	3. Unexpired Foreign Passport.....	<input type="checkbox"/>	4. Employment Authorization Document w/photo....	<input type="checkbox"/>	5. Unexpired 1) Foreign passport, & 2) Arrival-Departure Record.....	<input type="checkbox"/>	1. U.S. Social Security Card.....	<input type="checkbox"/>	2. Certificate of Birth Abroad.....	<input type="checkbox"/>	3. Original or certified copy of a birth certificate.....	<input type="checkbox"/>	4. Native American Tribal document.....	<input type="checkbox"/>	5. U.S. Citizen ID Card (Form I-197).....	<input type="checkbox"/>	6. ID card for use of a Resident Citizen of the U.S....	<input type="checkbox"/>	7. Employment authorization document.....	<input type="checkbox"/>	<p>List B - Verification Document that Establishes Identity</p> <table border="0"><tr><td>1. A state issued Driver's License or ID card.....</td><td><input type="checkbox"/></td></tr><tr><td>2. ID card issued by federal, state, or local Gov't....</td><td><input type="checkbox"/></td></tr><tr><td>3. School ID card with a photograph.....</td><td><input type="checkbox"/></td></tr><tr><td>4. Voter's registration card.....</td><td><input type="checkbox"/></td></tr><tr><td>5. U.S. Military card or draft record.....</td><td><input type="checkbox"/></td></tr><tr><td>6. Military Dependand's ID card.....</td><td><input type="checkbox"/></td></tr><tr><td>7. U.S. Coast Guard Merchant Mariner card.....</td><td><input type="checkbox"/></td></tr><tr><td>8. Native American Tribal document.....</td><td><input type="checkbox"/></td></tr><tr><td>9. Driver's license issued by Canadian government.</td><td><input type="checkbox"/></td></tr><tr><td colspan="2" style="text-align: center;"><i>For persons under age 18 who are unable to present a document listed above</i></td></tr><tr><td>10. School record or report card.....</td><td><input type="checkbox"/></td></tr><tr><td>11. Clinic, doctor, or hospital record.....</td><td><input type="checkbox"/></td></tr><tr><td>12. Day-care or nursery school record.....</td><td><input type="checkbox"/></td></tr></table> <p style="text-align: right;"><i>For add'l information related to work authorization, See Form I-9</i></p>	1. A state issued Driver's License or ID card.....	<input type="checkbox"/>	2. ID card issued by federal, state, or local Gov't....	<input type="checkbox"/>	3. School ID card with a photograph.....	<input type="checkbox"/>	4. Voter's registration card.....	<input type="checkbox"/>	5. U.S. Military card or draft record.....	<input type="checkbox"/>	6. Military Dependand's ID card.....	<input type="checkbox"/>	7. U.S. Coast Guard Merchant Mariner card.....	<input type="checkbox"/>	8. Native American Tribal document.....	<input type="checkbox"/>	9. Driver's license issued by Canadian government.	<input type="checkbox"/>	<i>For persons under age 18 who are unable to present a document listed above</i>		10. School record or report card.....	<input type="checkbox"/>	11. Clinic, doctor, or hospital record.....	<input type="checkbox"/>	12. Day-care or nursery school record.....	<input type="checkbox"/>
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VERIFYING STAFF SIGNATURE: _____

DATE: _____



DRAFT DIRECTIVE TRANSMITTAL WORKFORCE SERVICES

Number: WSDD-11

Date: June 16, 2008

69:20:va:12082

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: DATA VERIFICATION REQUIREMENTS – WIA CUSTOMER DATA
COLLECTION☒ IMMEDIATE ACTION

Bring this draft to the attention of the appropriate staff.

☒ E-MAIL COPY TRANSMITTED

Number of pages (including coversheet): 7

If there are any problems with this transmittal, please call the Pagemaster at 916/654-8008.

SUBJECT MATTER HIGHLIGHTS:

The purpose of this directive is to provide revised guidelines for customer data verification under the Workforce Investment Act (WIA) Adult and Dislocated Worker programs. Specifically, this directive gives Local Workforce Investment Areas (LWIA) the ability to document the verification of customer data in an electronic environment rather than maintain hard copy files. Implementation of these proposed data verification changes as outlined in Attachment 2 is optional. These revisions are intended to reduce the record retention burden, provide LWIAs greater flexibility in the administration of their programs, and better protect client information and confidentiality. This directive also provides guidance for program accountability regarding client exit, follow-up, supplemental data recording, and Management Information System (MIS) requirements. This directive applies to LWIAs that are not currently designated as Local Learning Labs (LLL).

For details on these requirements as they relate to the LLL, staffs should refer to Learning Lab Draft Directive -10 *Integrated Reporting and Program Accountability*, dated June 5, 2008.

COMMENTS ARE DUE BY:**7/17/08**

Comments can be submitted through one of the following ways:

- 1) **E-Mail** — mngeperf@edd.ca.gov (Include "draft comments" in the subject line)
- 2) **Mail** — WSD / P.O. Box 826880 / MIC 69 / Sacramento, CA 94280-0001

All comments received by the end of the comment period will be considered before the final directive is issued. The Workforce Services Branch does not respond individually to each comment received. However, a summary of comments will be released with the final directive. **Comments received after the specified due date will not be considered.**

If you have any questions, contact the Workforce Services Division at (916) 654-8008.

DRAFT DIRECTIVE WORKFORCE SERVICES

Number:

Date:

69:20:va:12082

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: DATA VERIFICATION REQUIREMENTS—WIA CUSTOMER DATA
COLLECTION

EXECUTIVE SUMMARY:

Purpose:

The purpose of this directive is to provide revised guidelines for customer data verification under the Workforce Investment Act (WIA) Adult and Dislocated Worker programs. Specifically, this directive gives Local Workforce Investment Areas (LWIA) the ability to document the verification of customer data in an electronic environment rather than maintain hard copy files. Implementation of these proposed data verification changes as outlined in Attachment 2 is optional. These revisions are intended to reduce the record retention burden, provide LWIAs greater flexibility in the administration of their programs, and better protect client information and confidentiality. This directive also provides guidance for program accountability regarding client exit, follow-up, supplemental data reporting, and Management Information System (MIS) requirements. This directive applies to LWIA that are not currently designated as Local Learning Labs (LLL).

Scope:

The revised data collection and verification requirements in this directive apply only to LWIAs that are not currently designated as LLL. The LLL staffs should refer to Learning Lab Draft Directive-10 *Integrated Reporting and Program Accountability*, dated June 5, 2008. All other WIA grant recipients must continue to comply with the data verification and retention requirements in the Eligibility Technical Assistance Guide (WIA Directive WIAD04-18 *WIA Title I Eligibility*).

Effective Date:

This directive is effective July 1, 2008

EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Special requests for services, aids, and/or special formats need to be made by calling (916) 654-8055 (Voice). TTY users, please call the California Relay Service at 711.

REFERENCES

- Department of Labor (DOL) Training and Employment Guidance Letter (TEGL) 17-05, Common Measures Policy for the Employment and Training Administration (ETA) Performance Accountability System and Related Performance Issues, February 17, 2006
- Training and Employment Notice 19-07, Program Year 2006/Fiscal Year 2007 Performance Reporting and Data Validation, December 11, 2007
- WIA Management Information and Reporting System, Office of Management and Budget 1205-0420, Expiration Date February 28, 2009
- Labor Exchange Reporting System, Office of Management and Budget 1205-0240, Expiration Date February 28, 2009

STATE-IMPOSED REQUIREMENTS:

This directive contains no State imposed requirements.

FILING INSTRUCTIONS:

This directive should be maintained by the affected local areas until it is superseded.

BACKGROUND:

In early 2007, leadership from the Employment Development Department (EDD), the California Workforce Investment Board, and the Labor and Workforce Agency came together for the purpose of considering the development of an integrated service delivery model for California's Workforce System and its One-Stop Career Centers. This group agreed that continued economic and fiscal pressures, coupled with higher demands for service and program accountability required a fundamental change in the California workforce services delivery system. With this objective in mind, an ambitious planning effort was launched which included representatives from 12 LWIAs, the California Workforce Association, and various stakeholder groups.

This partnership has looked closely at work flow under the Wagner-Peyser and the Workforce Investment Act programs and made recommendations to streamline service delivery. The guidelines in this directive implement a series of recommendations made by the Integrated Service Delivery State-local partnership. These revisions are intended to reduce the record retention burden, provide LWIAs greater flexibility in the administration of their programs, better protect client information and confidentiality, and remain in compliance with Department of Labor reporting and data verification requirements. Implementation of these revised data collection and verification guidelines is optional.

POLICY AND PROCEDURE:

Attachment 1 lists the data elements that must be collected on all customers entering a One-Stop Career Center or affiliated site for career development or job placement assistance. Attachment 2 details the additional data collection, reporting requirements, and supporting documentation for a One-Stop Career Center customer who receives staff assisted core, intensive, or training services. Collection of the listed data elements continues to be required. Implementation of the changes in supporting documentation management is optional.

Self-service and informational activities, requiring only the data elements listed on Attachment 1, are those core services that are made available and accessible to the general public and are designed to inform and educate individuals about the labor market. These services enable the individual to self-identify his or her individual employment strengths and weaknesses and the range of appropriate services. Core services that entail significant staff assistance require enrollment of the customer and the additional applicable data collection detailed in Attachment 2. Significant staff assistance is defined based on the nature of the service, not the amount of time involved. Services that assist the customer in deciding on appropriate next steps in the search for employment or related services, including assessment of an individual's immediate employability and barriers to employment, are significant staff-assisted services. Initial assessment or job placement assistance is a significant staff-assisted service and requires program enrollment and the collection of the applicable data detailed in Attachment 2.

The data elements detailed in Attachments 1 and 2 are typically collected through the CalJOBSSM and the Job Training Automation (JTA) WIA Application Form. It has been standard business practice to require the customer to sign the Application Form attesting to the accuracy of the data on the Form. Because, as reflected in the requirements specified in Attachment 2, we are allowing for the establishment of a "paperless" customer flow, LWIAs are not required to retain a signed hard copy of the customer's Application.

Program Accountability

For Adults and Dislocated Workers, the LWIAs are subject to the Adult Common Measures, including Entered Employment, Employment Retention, and Average Earnings. Attachment 3 provides a summary of the Common Measures definitions. The Common Measures are defined by the DOL in TEGL 17-05 (February 10, 2006). All staff should review this TEGL in detail to understand the specifics of the Common Measures.

- Inclusion of All Customers in the Common Measures Calculations

A job seeker is included in the accountability measures at the point the job seeker has been determined eligible and receives a service funded by a participating program within a One-Stop Career Center, affiliated site, or remotely through

electronic technologies. All One-Stop Career Center customers 18 years of age and older who receive a significant staff assisted service must be enrolled in the WIA Adult program. A customer determined to be a dislocated worker and whose direct services are all reported under the Dislocated Worker Program will be reported under the Dislocated Worker Program. If a customer receives services reported under both the Adult and Dislocated Worker programs, the customer will be attributed to both programs.

- **Point of Exit**

Under DOL guidance (TEGL 17-05, February 10, 2006) a customer is exited from all enrolled programs when 90 days has elapsed since the last enrolled service estimated or actual completion date. This auto-exit may be delayed by documenting a reason for gap in service on the JTA Enrollment Form.

Although customers are expected to be auto-exited after a 90-day lapse in service, the JTA system currently auto-exits a customer after a 150-day undocumented gap in service. This is to accommodate the filing of late paperwork in LWIAs without real-time access to the JTA system. The 150th day is calculated based on the JTA Enrollment Form Est/End Date for the last reported service. The exit date for the customer is the last date of service. The exit quarter is the calendar quarter containing the last date of service. The table below provides two examples.

CUSTOMER	SERVICE BEGIN DATE	EST/END DATE	150th DAY	EXIT DATE/EXIT QUARTER
A	June 1, 2008	June 30, 2008	November 28, 2008	June 30/April – June 2008
B	February 12, 2008	February 15, 2008	July 14, 2008	February 15/January – March 2008

When an exit date is generated based on the data on the JTA Enrollment Form(s), the client is exited from all programs for which he/she is enrolled. The exit date is the same for all programs regardless of which program provided the last service.

Exit Forms

JTA System Exit Forms may be filed but are not required. If an Exit Form is filed, the data included on the form, applicable to a performance outcome, will be considered in the performance calculations but the exit date is solely based on the last actual or estimated service completion date reported on a JTA Enrollment Form.

Follow-up and Performance Accountability Exclusions

Post-Program Follow-up is not required for Adults and Dislocated Workers. A Follow-up Form may be filed to notify the Workforce Services Division that a customer should be excluded from performance for one of the allowable reasons listed below. However, Follow-up Forms are not required.

Customers may be excluded from the performance calculations for the following reasons:

- Institutionalization
- Death
- Health/Medical or Family Care – this does not include temporary situations expected to last less than 90 days
- Reservist called to Active Duty

Supplemental Employment Data

Common Measures performance outcomes are primarily confirmed through wage records, both California wage records and records obtained from other states through the national Wage Record Interchange System (WRIS). If a customer is known to be employed or retained in a job not reported through the states' wage records, the employment status may be verified through other records and reported to the State through the Follow-up Form. Examples of such employment include self-employment, and federal employment, including military service. If the employment status for the customer is confirmed through supplemental information, Follow-up Forms reporting this information must be filed for the specific quarters applicable to the measure (please see Attachment 3). A case note must be recorded documenting the source for the employment verification and the date of that verification. This may be a case note in the MIS.

MIS Requirements

Two enhancements have been added to the JTA system to facilitate verification of eligibility through the JTA, the additional of an Eligibility Verification Screen and a Case Notes Screen. For more information on these enhancements to the JTA System please refer to Workforce Services Information Notice WSIN07-61 *JTA System Version 4.42 Release*.

ACTION:

Please bring this Directive to the attention of all staff.

INQUIRIES:

If you have questions, please contact your Regional Advisor at (916) 654-7799.
MIS questions may be directed to the JTA Customer Help Desk.

BILL BURKE
Assistant Deputy Director
Workforce Services Branch

BOB HERMSMEIER
Chief
Workforce Services Division

Attachments

1. Initial Data Collection Requirements—All Customers
2. Data Collection Requirements for Clients Receiving Staff Assisted Services
3. Common Measures



INFORMATION NOTICE

WORKFORCE SERVICES

Number: WSIN09-49

Date: March 9, 2010

Expiration Date: 4/9/12

69:156:cs:13412

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE CONFERENCE CALL MINUTES-
FEBRUARY 26, 2010

The minutes from the Local Workforce Investment Area (LWIA) Advisory Committee conference call on Friday February 26, 2010, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact Terrietta Robinson at (916) 654-8035 or James W. Scholl at (916) 657-4610.

/S/ BOB HERMSMEIER
Chief
Workforce Services Division

Attachments

EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Special requests for services, aids, and/or special formats need to be made by calling (916) 654-8055 (Voice). TTY users, please call the California Relay Service at 711.

Agenda

Bob Hermsmeier
Workforce Services
Branch (WSB)

- ## CWIB Updates

- Barbara Halsey,
California Workforce
Investment Board
(CWIB)

LOCAL WORKFORCE INVESTMENT AREA
ADVISORY COMMITTEE CONFERENCE CALL

Friday, February 26, 2010

Welcome/Agenda Building/Hot Topics

New Workforce Services Division (WSD) Chief/Transition—Bob Hermsmeier reiterated his plan to retire at the end of March. He was also pleased that Michael Evashenk has been appointed the new Division Chief. Bob is working with Michael to transition the Division Chief responsibilities.

Low Expenditure Reporting of ARRA Funds—The Local Workforce Investment Areas (LWIA) have done an excellent job expending and reporting the youth funds. Unfortunately, many LWIAs have very low expenditure rates for both the Adult and Dislocated Worker funds. The Department of Labor (DOL) has an expectation as of September 30, 2010, that California will show expenditure rates of at least 70 percent on all three ARRA funding sources. The California Workforce Association (CWA) recently alerted all of its members to this issue and the WSD put out Information Notice [WSIN09-42](#) - American Recovery and Reinvestment Act (ARRA) Expenditures dated February 18, 2010. Based on input from their membership, CWA members reported that two of the major causes were the lack of: 1) accrual accounting and, 2) timely invoicing by the California Community Colleges. Bob Hermsmeier agreed with the Advisory Committee's suggestion for EDD to directly contact those LWIA's that had low reported expenditure rates so they can explain how they plan to improve the situation in the future.

State Jobs Initiative—In the Governor's Budget submitted in January, he proposed a \$500 million Jobs Initiative that is expected to train an additional 140,000 workers and help create 100,000 new jobs. The Employment Training Panel (ETP) will partner with community colleges and other workforce development organizations to deliver training focused on green jobs and other key industries prioritized by ETP, such as manufacturing, goods movement, biotechnology, information technology services, multi-media, health care and construction. The initiative provides up to \$200 million to employers for training new employees or retraining existing employees for new jobs, and \$300 million in reimbursement funds available to employers for training and employing out-of-work Californians.

Operation Welcome Home—The Advisory Committee was provided an update on this new Governor's initiative designed to directly connect with the 30,000 veterans annually returning to California in order to better assist them in making the transition from the military to their communities. As part of this effort, EDD will be hiring approximately 325 new staff dedicated to conducting this outreach and direct contact with these returning veterans. The group had a general discussion regarding the objectives of the initiative.

Concern was raised regarding the need to make sure that this work was coordinated with the WIA funded veterans' grants.

The Workforce Investment Act (WIA) 25 Percent Dislocated Worker Application/Approval Process—While currently there are only a few LWIA requests for these funds, EDD would like to start a dialogue with the LWIAs to improve the application and approval process. In March, Jose Luis Marquez, the Deputy Chief from the Program and Technical Assistance Section, will establish a workgroup that will include both state and local area members to streamline this process.

Elevate America—This is a Microsoft funded project that gives unemployed individuals a voucher that allows them to learn the Microsoft Office Suite applications. In the very near future, we expect the Governor to issue a press release announcing this project. Individuals who receive this voucher do not have to be enrolled into WIA. The Job Training Automation code for Elevate America indicates this is not a WIA funded grant. Therefore, the data for the participants enrolled under this code will not be subject to data validation or reported to the Department of Labor. The collection of data on these participants is solely so California can report the information to Microsoft in accordance with the agreement for this project.

Paperless/ Documentation—In the Spring of 2008, the State of California thought we had reached an agreement with the DOL to allow the learning labs to establish a "paperless" customer flow. This was the basis for Draft Directive [LLDD-10](#) - Integrated Reporting and Program Accountability dated June 5, 2008. California used the State of New York's model as the basis for this process. During a January 2010 DOL data validation review, California learned that DOL had not reached an agreement. The EDD acknowledged responsibility for any Learning Lab that implemented the process outlined in Draft Directive [LLDD-10](#). Jessie Mar from Program Review Branch indicated that the EDD monitors were looking at the documentation and would also try to validate the LWIA paperless process. The State is not asking for any hardcopy documents except those that were picked in the monitoring sample. By March 10, 2010, the State will put out a draft policy revision to [LLDD-10](#). Also, the Learning Labs will be invited to a meeting hopefully in early March to discuss the policy revision. The EDD is also trying to partner with the Department of Motor Vehicles to provide validation for the date of birth based on drivers' license information.

The WSN Update—The Request for Proposal (RFP) to replace CalJOBS and JTA is targeted to be released by May 15, 2010, with the contract being awarded in September. The RFP requires the successful vendor to create an easy interface with LWIA local systems. In the meantime, Dennis Petrie wants to revisit the state moratorium on allowing LWIA's expenditures for upgrading their local systems.

Job Training Automation Handbook Published—On February 11, 2010, Directive [WSD09-8](#)—WIA JTA System Client Forms Handbook was published.

Cal JOBS Security Updates Completed—The EDD hired an outside private vendor to perform a security audit on CalJOBS. The recommendations have all been implemented.

CWIB UPDATES

Clean Energy Workforce Training and Employment Partnership Grant—There have already been 425 enrollments and all of the contractors will be ramping up in the next few weeks.

Regional Industries Cluster of Opportunity Grants—There had been 13 applications for these funds. A February 19, 2010, press release announced the 10 successful applicants.

State Energy Sector Partnership Grant Awards—CWIB received \$6 million from DOL for this 36 month grant. The CWIB identified six areas on a regional basis to receive these funds with the first step being to provide clean energy training.

Status of CWIB's Annual Grants for Exemplary Performance and High Concentration of Youth—The CWIB received six applications for the High Concentration of Youth that was incorporated in a Secretary's Office Action Request (SOAR) to obtain Secretary Bradshaw's approval to release these funds. On exemplary performance, the CWIB has calculated the awards for Program Year (PY) 2007-08 and is partnering with EDD to calculate the PY 2008-09 awards. After these awards are calculated, the CWIB will do a SOAR to obtain Secretary Bradshaw's approval to release these funds.

Status of ARRA 25 Percent Rapid Response Policy Directive—This directive is anticipated to be released in early March.

Status on Local Plan Modification Directive [WSD09-7](#)—This Workforce Services Directive dated February 4, 2010, supersedes Workforce Services Directive WSD08-5, dated September 24, 2008, and finalizes Workforce Services Draft Directive WSDD-29, issued for comment on December 22, 2009.

Information Notice on utilizing 25 percent funds for layoff activities—There will be an Information Notice released that gives the workforce system guidance for helping Tier 1 and Tier 2 suppliers or other local business associated with a mass layoff.

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION
	CORRESPONDENCE SYMBOL OWI
	DATE March 18, 2009

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 14-08

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND
DIRECTORS
STATE LABOR COMMISSIONERS

FROM: DOUGLAS F. SMALL /s/
Deputy Assistant Secretary

SUBJECT: Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009

1. Purpose. The purpose of this Training and Employment Guidance Letter (TEGL) is twofold. First, the TEGL provides policy guidance and direction regarding the American Recovery and Reinvestment Act of 2009 (“the Recovery Act”) funding for activities authorized under the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act. The second purpose is to provide specific instructions regarding the requirement for states to modify their WIA and Wagner-Peyser Strategic State Plans. More specifically, the TEGL provides policy guidance on the use of:

- WIA Adult and Dislocated Worker funds provided in the Recovery Act;
- Wagner-Peyser Act funds included in the Recovery Act, including guidelines on reemployment services; and
- WIA Youth funds provided in the Recovery Act, including guidelines for summer youth employment activities.

The infusion of funds through the Recovery Act has implications for WIA/Wagner-Peyser Act State Planning. The TEGL also provides instructions to states for:

- Extending the life of current State Plans for Title I of WIA and the Wagner-Peyser Act (“the State Plan”) for an additional year;
- Submitting modifications to address how states will utilize funding under the Recovery Act to meet the growing demand for workforce development services; and
- Extending existing waivers and requesting new waivers.

Rescissions	Expiration Date
TEGL 7-08 and TEGL 13-06	Continuing

2. **References.**

- Wagner-Peyser Act, as amended (29 U.S.C. 49 et seq.)
- Workforce Investment Act of 1998, as amended (29 U.S.C. 2801 et seq.)
- WIA Regulations, 20 CFR parts 652 and 660-671
- The American Recovery and Reinvestment Act of 2009 (P.L. 111-5)
- Planning Guidance for the Strategic State Plan for Title I of the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act (73 FR 72853 (Dec. 1, 2008)) (OMB No. 1205-0398)
- TEGL No. 17-05, “Common Measures Policy for the Employment and Training Administration’s (ETA) Performance Accountability System and Related Performance Issues”
- TEGL No. 28-05, “The Employment and Training Administration’s (ETA’s) New Strategic Vision for the Delivery of Youth Services Under the Workforce Investment Act (WIA): Expanding ETA’s Vision for the Delivery of Youth Services under WIA to include Indian and Native American Youth and Youth with Disabilities”
- TEGL No. 2-07, “Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System”
- TEGL No. 9-08, “Negotiating Performance Goals for the Workforce Investment Act Title IB Programs and Wagner-Peyser Act Funded Activities for Program Year 2009”
- TEGL No. 13-08, “Allotments for training and employment services as specified in the American Recovery and Reinvestment Act of 2009 (Recovery Act) for activities under the Workforce Investment Act of 1998 (WIA). Workforce Investment Act Adult, Dislocated Worker and Youth Activities Program Allotments; Wagner-Peyser Act Allotments, and Reemployment Service (RES) Allotments.”

3. **Table of Contents.** The TEGL contains the following sections:

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4. Strategic Vision for Implementation of Employment and Training Provisions of the

Recovery Act. The Recovery Act, signed by President Obama on February 17, 2009, is intended to preserve and create jobs, promote the nation’s economic recovery, and to assist those most impacted by the recession. With the additional workforce funding provided in the Recovery Act, and the increased employment and training services such funding will support, the workforce system will play a vital role in America’s economic recovery by assisting workers who are facing unprecedented challenges to retool their skills and re-establish themselves in viable career paths. Drawing on the workforce system’s expertise in developing our nation’s workers, One-Stop Career Centers across the country will target services to meet the changing needs of workers and employers, helping the dislocated engineer to refine her resume, the construction worker to develop competencies in green construction technologies, and the nurse’s aide to enroll in a registered apprenticeship program that will put her on the pathway to higher skilled and higher paying jobs that will lift her family from poverty to the middle class.

If the workforce system is to meet both the letter and the spirit of the law and fulfill its critical role in U.S. economic recovery, we must implement the Recovery Act expeditiously and effectively, with full transparency and accountability of our expenditure of funds. But the Recovery Act provides more than an injection of workforce development resources into communities in need across the country. The significant investment of stimulus funds presents an extraordinary and unique opportunity for the workforce system to accelerate its transformational efforts and demonstrate its ability to innovate and implement effective One-Stop service delivery strategies. As states and local areas plan how their One-Stop systems will make immediate use of the Recovery Act funds, the Employment and Training Administration (ETA) strongly encourages them to take an expansive view of how the funds can be integrated into transformational efforts to improve the effectiveness of the public workforce system. In this system, the needs of workers and employers are both important in developing thriving communities where all citizens succeed and businesses prosper. The system’s implementation of the Recovery Act should yield not only increased services and training for workers in need, but also an invigorated, more innovative public workforce system capable of helping enable future economic growth and advancing shared prosperity for Americans.

In a stronger, more comprehensive One-Stop system, adults move easily between the labor market and further education and training in order to advance in their careers and upgrade their contributions to the workplace, while disconnected youth are able to reconnect through multiple pathways to education and training that enable them to enter and advance in the workforce. Adult education, job training, postsecondary education, registered apprenticeship, career advancement activities and supportive services are fully aligned with economic and community development strategies, so as to meet the skill needs of existing and emerging regional employers and high-growth occupations as well as the needs of under-skilled adults. Under such a dual-customer approach, seamless career pathways are developed and offered, and support services and needs-based payments are available, making it far easier for young people and

adults, particularly those most in need, to advance and persist through progressive levels of the education and job training system as quickly as possible and gain education and workforce skills of demonstrated value at each level. Education and training at every level are closely aligned with jobs and industries important to local and regional economies. Every level of education and training affords students, apprentices, and trainees the ability to advance in school or at work, with assessments and certifications articulated to the requirements of the next level of education and employment.

To achieve this vision of a strong and vital workforce system, system stakeholders at every level must continue to develop and refine innovative service delivery strategies in the context of regional economies. Although we confront the challenges of a global economy on a national level, economic prosperity for individuals and families will be determined in large part in regional economies – both metropolitan and rural. It is critical therefore that workforce boards partner with each other regionally and across political jurisdictions, and develop solutions in collaboration with community colleges and other education providers, registered apprenticeship, employers, business and labor organizations, civic groups and community philanthropy to align workforce development services with strategies for regional development. Sector strategies that enable low-income, displaced and under-skilled adults and disconnected youth to acquire the knowledge and skills for success at work in key industries are an important service delivery innovation. Sector strategies for renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high-demand industry sectors identified by local areas should become an integral part of comprehensive approaches to workforce development and regional growth.

5. General Policy Guidelines. In utilizing the funding in the Recovery Act, federal, state, and local levels of the workforce system must be guided by four principles:

- Transparency and accountability in the use of Recovery Act funding;
- Timely spending of the funds and implementation of activities;
- Increasing workforce system capacity and service levels; and
- Using data and workforce information to guide strategic planning and service delivery.

The Recovery Act contains many provisions stressing transparency in the use of the funding provided by the Act, including the creation of a new website named www.recovery.gov. This emphasis on transparency, along with national interest in the impact of the Recovery Act on our nation's economy, will translate into increased attention on the workforce system's implementation of the Recovery Act. The modifications to the State Plans described in this guidance and the information gathered through the WIA and Wagner-Peyser performance and reporting systems will be important sources of information to ensure transparency and accountability for use of Recovery Act funding. The One-Stop system's success in implementing the Recovery Act will be gauged in part by the progress it achieves in using annual appropriations along with Recovery Act funds to help unemployed, underemployed, and dislocated workers find new, good jobs and to access and remain in the middle class; to help low-skill or low-income workers acquire 21st century skills, find family-supporting jobs in healthy industries and access the middle class; and to help enhance the education pathways for disadvantaged and disconnected youth to improve their labor market prospects and long term career success.

Another guiding principle is the timely spending of funding and implementation of activities contained in the Recovery Act. The Act is intended to stimulate the nation's economy and provide quick assistance to those impacted by the economic downturn, which is reflected in the Congress's requirement that ETA allot the WIA and Wagner-Peyser formula funding in the Act within 30 days of enactment. In turn, ETA is requiring states to allocate their funds to local areas within 30 days of their receipt of funding. States and local areas are expected to move quickly to use the Recovery Act funding, in conjunction with other available funds, to provide career assessments, remedial and occupational training and job search assistance to unemployed workers; help youth access the services they need to pursue education and employment; assist businesses in hiring qualified workers; and other activities that can aid in the recovery of local, regional, and state economies.

Recovery Act funding may only be used for authorized WIA and Wagner-Peyser Act activities as provided in this TEG. ETA expects states and local areas to fully utilize the additional workforce funding to substantially increase the number of customers served, and to substantially increase the number and proportion of those customers who receive training. These funds must be used to supplement annual WIA/Wagner-Peyser appropriations and must only be used for activities that are in addition to those otherwise available in the local area (WIA sec. 195(2)). To that end, Recovery Act funding is to be spent concurrently with other WIA and Wagner-Peyser funding, and should not be used to replace state or local funding currently dedicated to workforce development and summer jobs. While the law requires states to track and spend Recovery Act funds separately from other WIA and Wagner-Peyser formula funds, ETA encourages states to strategically align all of their resources to meet both short- and long-term state and regional workforce development needs. States should anticipate that Congress and the public will be looking for expenditures and performance results very quickly. State spending of Recovery Act formula funds will be integrated into ETA's ongoing regional monitoring workplans.

To facilitate rapid expansion of workforce service delivery capacity, states must be prepared to hire the workforce professionals needed to administer workforce programs and deliver services. In some states, a state-wide hiring freeze or other personnel restrictions have been applied to WIA and Wagner-Peyser programs. In light of the Recovery Act funding, and the significant need for workforce services across the country, ETA strongly encourages Governors to exempt WIA and Wagner-Peyser programs from such hiring freezes or personnel restrictions in order to reach the capacity necessary to meet the demand for workforce services. In making hiring decisions, however, states should be mindful of the temporary nature of the Recovery Act funding.

Additionally, states should consider the value of workforce and economic information and use this information in implementing the Recovery Act. Now more than ever, this type of information should be the foundation of workforce development strategies. Workforce information will be particularly critical as states and local areas seek to identify those businesses and sectors of the economy that are still in need of workers, even in the economic downturn, and those that will begin to grow as the economy recovers. Workforce information is also central to analysis of transferable skills for workers who have lost their jobs in industries and occupations that are not likely to rebound and need to transition to new careers. States should consider

utilizing a portion of Recovery Act funding to enhance workforce and economic information availability and use, with particular focus on supporting regional and local workforce investment board planning for the use of Recovery Act funds and creating linkages to jobs created through Recovery Act investments.

6. Key Recovery Act Provisions and Emphases of Note.

- ***Contracts with Institutions of Higher Education and Other Training Providers.*** To increase the availability of training to workforce system customers, the Recovery Act allows Local Workforce Investment Boards (LWIB) to award contracts to institutions of higher education, such as community colleges, or other eligible training providers, if the board determines it would facilitate the training of multiple individuals in high-demand occupations and if the contracts do not limit customer choice. This provision of the law is in addition to the current methods for providing training and is intended to help increase education and training enrollments and capacity in a time when many states and educational institutions are experiencing budget shortfalls, by allowing LWIBs to pay for the full cost of training at the beginning of the course. Direct contracts with institutions of higher education and eligible training providers also allow LWIBs to quickly design training to fit the needs of the job seekers and employers.

Training services include the full range of occupational skills training, adult education and literacy services, and customized training as described in WIA section 134 (d)(4)(D). Before entering into such contracts, ETA encourages LWIBs to assess current training offerings to ensure that the contracts are not duplicating existing training courses and curricula. These training contracts can be performance-based to ensure that they result in real outcomes for the students.

As part of the contract, the institution of higher education or eligible training provider could develop curriculum for emerging sectors and enhance the capacity of the institutions to ensure quality training within limited timeframes. As such, the development of curriculum by institutions of higher education can be considered a training activity under WIA, if it is developed in the context of providing training to WIA participants. To be consistent with the timely spending of Recovery Act funds, curriculum activities should focus on adapting existing or creating new curriculum that will result in a short-term increase in training capacity, rather than long-term curriculum development activities.

Institutions of higher education, such as community colleges, need not be on a state list of eligible providers of training services in order to be awarded a contract with Recovery Act funds. Other providers of training that are not institutions of higher education must be on the state list of eligible providers in order to be awarded a contract.

- ***Emphasis on Serving Low-income, Displaced and Under-skilled Adults and Disconnected Youth.*** Particular populations have been heavily impacted by the recession, and have particular challenges in regaining employment. ETA encourages states and local areas to pay particular attention to these populations in the development of implementation strategies for Recovery Act funds. State, regional, and local workforce development strategies should

include robust approaches to helping these workers access training and employment services that advance them along career pathways in high-growth industries, and help them gain access to and remain in the middle class. The Recovery Act contains several provisions designed to target services to these populations. Priority use of WIA Adult formula funds under the Recovery Act must be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E) (see Section 11.B. of this TEGL for additional discussion of the interaction of this priority with the veterans' priority under the Jobs for Veterans Act). Furthermore, the law requires states to ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are made available to support the employment and training needs of these priority populations. The provision of supportive services and needs-related payments should also be a focus for the Recovery Act Dislocated Worker formula funds. Summer youth work experiences are similarly intended to include youth who are disconnected from education and the workforce. WIA funds may be used for adult education, including basic or English language education, as delivered through community colleges and other high quality public programs and community organizations that provide such services, as long as they are provided in connection with occupational skill training leading to a job or career for which the individual is preparing.

- ***Provision of Reemployment Services.*** The workforce system plays a vital role in helping unemployed workers quickly find work, and in helping employers find workers when they are ready to hire. The Recovery Act includes a new, major investment to provide Reemployment Services to Unemployment Insurance (UI) claimants. These funds are in addition to those provided through the Reemployment and Eligibility Assessment program implemented under the UI system, currently in 19 states, and soon to be in others. All states and local areas must develop close partnering relationships between UI and One-Stop services to ensure UI claimants are quickly linked to a local One-Stop in their area to develop and pursue an employment plan. States are urged to leverage all available services to maximize the resources and enhance workers' opportunities to return to the workforce. ETA encourages states to find and share best practices through the online community of practice at www.reemploymentworks.workforce3one.org.
- ***Green Jobs.*** The energy efficiency and renewable energy industries offer workers new opportunities that may require additional training and certification. Through the Recovery Act, a number of other federal programs will receive large investments in programs and projects that could create "green jobs." These include investments in renewable energy infrastructure, energy-efficiency home retrofitting, biofuel development, and advanced drive train/vehicle development and manufacturing. As states receive Recovery Act funding for the WIA and Wagner-Peyser programs and implement training and reemployment strategies, ETA encourages states to recognize opportunities to prepare workers for "green jobs" related to other sources of federal funding. States are also encouraged to expand existing training programs, such as registered apprenticeship programs that have the potential to prepare workers for careers in the renewable energy sectors and for other "green jobs."

While occupational data collection on green jobs is ongoing and occurring in both the public and private sectors, there appears to be general consensus from the research that not all

“green jobs” are necessarily new or unique occupations, but represent “layers” of green skills upon existing occupations. For example, O*NET has identified a number of occupations that may be moderately impacted by “green” technologies. These may include, but are not limited to, power plant operators; electrical engineers; heating, ventilating and air conditioning (HVAC) mechanics and installers; and roofers and construction managers. Other occupations that have the potential for significant change and growth include, but are not limited to, wind turbine engineers; solar power plant operators; and wind turbine service technicians. Additional data collection will further inform the work of the workforce system at all levels.

While this TEGl provides specific policy guidance for the WIA and Wagner-Peyser programs, states and local areas should note that \$750 million was made available to ETA through the Recovery Act to award competitive grants focused on projects that train workers and place them in employment in the energy efficiency and renewable energy industries; the healthcare industry; and other high-growth and emerging industries. Approximately \$500 million of the funding will be provided through the future competitions to support research, labor exchange and job training projects that prepare individuals for careers in industries as defined in the Green Jobs Act of 2007.

- ***Connections to Other Federal Recovery Act Investments.*** Through the Recovery Act, billions of dollars will be invested in projects related to infrastructure development and improvement, healthcare, and other areas that will create jobs and opportunities for unemployed workers to rejoin the labor force. For instance, the development and implementation of a national infrastructure for electronic medical records will modernize health information technology and increase this industry’s need for qualified workers. Other Recovery Act funding will focus on projects that include, but are not limited to: school renovations and construction; Veterans Affairs hospital and medical facility construction and improvements; repair and restoration of public facilities and parks; repair and restoration of Department of Defense facilities; and construction of highways, public transportation, air, and rail (including high speed rail) transportation infrastructure. Clearly, these projects create opportunities for workers nationwide.

ETA strongly recommends that workforce agencies and LWIBs review other parts of the Recovery Act, with an eye toward the activities to be carried out through the Departments of Agriculture, Defense, Energy, Health and Human Services, Interior, Transportation, and others, to monitor these funding streams at the state level in an effort to coordinate workforce development activities and maximize the return on each investment in terms of the number of workers employed or reemployed through such projects. For example, LWIBs should collaborate with local government agencies and employers who are creating jobs in road and bridge projects, local food production and processing, nursing and allied health, and local conservation projects and energy efficiency programs such as the Weatherization Program run by many local Community Action Agencies.

7. Listing Recovery Act Jobs on State Job Banks. ETA strongly encourages State Workforce Administrators to work closely with their Governors and State Workforce Investment Boards to facilitate the listing of all jobs generated through the Recovery Act on their State Job Banks.

Governors in several states are requiring such listings. This will enable all job seekers to view and, if appropriate, pursue new jobs created, as well assist job placement coordinators in identifying reemployment opportunities for job seekers.

In order to foster greater accountability and transparency in the use of Recovery Act funds, states should also note that the Act requires the federal government to include on www.Recovery.gov links to and information about how to access job and registered apprenticeship opportunities, local employment agencies, and State Job Banks.

8. Availability of Funds. States are strongly encouraged to spend Recovery Act funding quickly and effectively. WIA funding for Adults, Dislocated Workers, and Youth are considered to be Program Year (PY) 2008 funds and, therefore, must be expended by the end of PY 2010 (June 30, 2011). Wagner-Peyser funds are available for obligation by the states through September 30, 2010, and must be expended by the end of PY 2010 (June 30, 2011). It is the Congress' intent, as well as that of the Administration, that the majority of these funds will be utilized within the first year of availability. States are reminded that the Recovery Act provides additional funds under existing WIA or Wagner-Peyser authority, and the design and delivery of the services for the Recovery Act funds are governed by WIA and Wagner-Peyser laws and regulations.

9. Monitoring. Pursuant to WIA regulations at 20 CFR 667.410, each state recipient and subrecipient of Recovery Act funds must conduct regular oversight and monitoring of its WIA and Wagner-Peyser Employment Services activities and those of its subrecipients and contractors in order to determine that expenditures have been made against the appropriate cost categories and within the cost limitations. Oversight and monitoring should determine whether or not there is compliance with programmatic, accountability, and transparency provisions of the Recovery Act and this TEGL, as well as the regular provisions of WIA and the Wagner-Peyser Act, as amended by WIA, and their regulations and other applicable laws and regulations. States are also required to provide technical assistance as necessary and appropriate. In the State Plan modification described in Section 18 and Attachment A, the Governor must be able to demonstrate, through a monitoring plan or otherwise, that the state monitoring system meets the requirements of 20 CFR 667.410(b)(2) and that the state's plan includes monitoring and oversight of the additional funds provided under the Recovery Act.

10. Program and Performance Reporting. Accountability guidelines provided by the Office of Management and Budget for the Recovery Act emphasize data quality, streamlining data collection, and collection of information that shows measurable program outputs. ETA is developing reporting guidelines for these funds with the intent to minimize any new collection burdens. Final guidance on participant and performance reporting will be issued under a separate TEGL. To the extent that new information or reports are required for Recovery Act activities, ETA will seek Office of Management and Budget (OMB) clearance through the Paperwork Reduction Act process.

11. WIA Adult Program. The Recovery Act makes available an additional \$500,000,000 for the WIA Adult formula program. ETA is distributing funds to states via the existing WIA Adult formula per TEGL No. 13-08, which specifies amounts for each state. These funds are available

for states to provide employment and training services to adults through the One-Stop system in accordance with WIA allocation requirements. Per the Recovery Act, the funds shall remain available to states for the same period of time as regular PY 2008 WIA Adult formula funds, or until June 30, 2011, and are subject to the 15 percent reserve for state activities under WIA section 133(a).

A. Allowable Activities

It is the intent of the Recovery Act that WIA Adult funds be used to provide the necessary services to substantially increased numbers of adults to support their entry or reentry into the job market. To that end, states should consider how assessment and data-driven career counseling can be integrated into their service strategies to support adults in successful training and job search activities that align with areas of anticipated economic and job growth. Recovery Act funds can be used on all activities specified under the WIA Adult program. To maximize the reach of Adult formula funds, One-Stop Career Centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act.

Because workers may need to up-skill or re-skill to compete for limited career opportunities, training will be a particularly vital service during the economic recovery, and overall training enrollments are expected to increase. Training services may include occupational skills training, on-the-job training, programs that combine workplace training and related instruction, including registered apprenticeship, training programs operated by the private sector, skill upgrade and retraining, entrepreneurship training, job readiness training, adult education and literacy training, and customized training. These funds can also be used to support adult basic education training, including English as a second language.

The Recovery Act specifically emphasizes the authority to use these funds for supportive and needs-related payments to ensure participants have the means to pay living expenses while receiving training. This should allow workers to pursue training of sufficient duration to acquire skills and credentials of value that will connect them to emerging jobs as the economy recovers. To increase state, regional, and local training capacity, the Act gives states the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate the training of multiple individuals in high-demand occupations, so long as the contract does not limit customer choice, as discussed in section 6.

As stated earlier, priority use of these funds shall be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). States are particularly encouraged to provide training opportunities to these individuals. Again, because family and income responsibilities often prevent these priority populations from successfully entering or completing training, states should ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are available to support the employment and training needs of priority populations. Supportive services may include transportation, child care, dependent care, housing, and other services that are necessary to enable an individual who is unable to obtain the services from other programs to participate in activities authorized under WIA. Needs-related payments may be provided to adults who are unemployed and do not qualify for or have ceased to qualify for unemployment compensation for the purpose of enabling

such individuals to participate in programs of training services. One-Stop Career Centers should take advantage of the availability of these payments so that customers can pursue their career goals, rather than their short-term income needs determining the length of their training.

B. Recommended Strategies

In allocating the WIA Adult formula funds in the Recovery Act, ETA encourages states to consider including the following in their service delivery strategies:

- ***Targeted Use of Funds.*** ETA encourages states to develop plans and strategies that target the use of WIA Adult formula funds on the services that most efficiently and effectively assist workers impacted by the current economy to obtain employment, with priority given to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). These strategies should include assisting adults to adapt their skills and career goals to the rapidly changing economy and employment options. States should make every effort to assess the skills, abilities, and career goals of adults and to help them map their skills against current and anticipated jobs. The Recovery Act recognizes that adults participating in training to advance or retool their skills will need supportive services and needs-related payments to remain and succeed in training. In gathering best practices, states may wish to look to the papers, curriculum, and other products shared through www.workforce3one.org, and are encouraged to share their own best practices through the Web site. Further, ETA encourages states to execute these plans and strategies in a way that builds towards the vision of the workforce system as articulated in Section 4 of this guidance letter.
- ***Coordination and Alignment with Wagner-Peyser, Reemployment Services, Trade Adjustment Assistance, Unemployment Insurance, and One-Stop Career Center Partner Programs.*** ETA encourages states to align their use of WIA Adult formula funds and other federal and state resources, such as Adult Basic Education and Pell grants, and with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, states should integrate their implementation of Adult services with Reemployment Services and UI programs so that individuals have easy access to all programs, regardless of their point of entry into the system.
- ***Leveraging and Support for Registered Apprenticeship Programs.*** ETA encourages states to leverage new, and existing national, state and local registered apprenticeship programs and assets as a key resource in their talent development and reemployment strategies. Significant Recovery Act investments are targeted to key industries such as construction, health care, transportation, and other industries with emerging green jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship. Linking talent development and reemployment strategies to these Recovery Act investments, particularly those focused on generating new “green” jobs, is critical to providing employment opportunities that can provide a pathway to the middle class and allow individuals to earn while they learn.

- ***Alignment with State and Regional Economic Recovery Plans.*** ETA encourages states to align their WIA Adult formula activities with state and regional economic recovery plans as they are developed, particularly those connected with the Recovery Act, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. States and local areas are encouraged to develop comprehensive regional partnerships to facilitate this alignment. LWIBs are encouraged to partner with each other regionally and across political jurisdictions as necessary.

C. Priority of Service for Veterans and Eligible Spouses

States and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

12. WIA Dislocated Worker Program. The Recovery Act makes available an additional \$1,250,000,000 to the WIA Dislocated Worker formula program. Funds will be distributed to states via the existing WIA Dislocated Worker formula per TEGL No. 13-08, which specified amounts for each state. These funds are available for states to provide employment and training services to dislocated workers through the One-Stop system in accordance with WIA local area allocation requirements. Under the Act, the funds shall remain available to states for the same period of time as standard PY 2008 Dislocated Worker formula funds, or until June 30, 2011. Under WIA section 133(a) the WIA Dislocated Worker funds in the Recovery Act are subject to the 25 percent Governor's reserve for statewide rapid response activities and the 15 percent reserve for state-wide activities.

A. Allowable activities

It is the intent of the Recovery Act that WIA Dislocated Worker funds be used to provide the necessary services to dislocated workers to support their reentry into the recovering job market. To that end, states should consider how assessment and data-driven career counseling can be integrated into their service strategies to support dislocated workers in successful training and job search activities that align with areas of anticipated economic and job growth. The funds can be used for all activities specified under WIA for the Dislocated Worker program. It is the intent of the law that substantially increased numbers of dislocated workers will be served with this infusion of formula funds, and that training will be a significant area of focus. Training services include occupational skills training, on-the-job training, programs that combine workplace training and related instruction, including registered apprenticeship, training programs operated by the private sector, skill upgrade and retraining, entrepreneurship training, job readiness

training, adult education and literacy training, and customized training. Additionally, states have the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate the training of multiple individuals in high-demand occupations, so long as the contract does not limit customer choice.

States may reserve up to 25 percent of the Dislocated Worker Recovery Act formula funds for Rapid Response activities. Given expectations for the expeditious spending of funds, ETA encourages states to be strategic in determining how much money to set aside for this purpose. States are further reminded of the wide range of activities that can be supported using Rapid Response funds, such as lay-off aversion activities (see 20 CFR part 665, subpart C).

To be eligible to receive services under the WIA Dislocated Worker formula funds provided in the Recovery Act, individuals must meet the eligibility requirements as stated in WIA section 101(9). This definition allows individuals to qualify as a dislocated worker in four different ways. The workforce system is encouraged to test individuals' eligibility against all options to ensure that the maximum number of people qualify as dislocated workers. Individuals who do not qualify under category A because of the nature of their employment separation may still qualify under category B, C, or D. Additional guidance will be forthcoming discussion dislocated worker eligibility scenarios. Customers who do not qualify as dislocated workers should be considered for eligibility in the Adult formula program.

Category A – General Dislocated Workers. To qualify, an individual must meet the following three criteria:

1. Has been terminated or laid off, or has received a notice of termination or layoff, from employment;
2. EITHER is eligible for or has exhausted entitlement to unemployment compensation; OR has been employed for a duration sufficient to demonstrate, to the appropriate entity at a One-Stop Career Center referred to in WIA section 134(c), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a state unemployment compensation law; and
3. Is unlikely to return to a previous industry or occupation.

Category B – Plant Closure. To qualify, an individual must meet one of the following three criteria:

1. Has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
2. Is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
3. For purposes of eligibility to receive services other than training services described in WIA section 134(d)(4), intensive services described in WIA section 134(d)(3), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility will close.

Category C – Self-Employed or Unemployed. To qualify, an individual must meet the following criteria:

1. Was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters.

Category D – Displaced Homemaker. To qualify, an individual must meet the following three criteria:

1. Has been providing unpaid services to family members in the home;
2. Has been dependent on the income of another family member but is no longer supported by that income; and
3. Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

B. Recommended Strategies

In allocating the WIA Dislocated Worker formula funds in the Recovery Act, ETA encourages states to consider the following:

- **Targeted Use of Funds.** ETA encourages states to develop plans and strategies that target the use of WIA Dislocated Worker formula funds on the services that most efficiently and effectively assist dislocated workers to obtain employment. These strategies should include assisting dislocated workers to adapt their skills and career goals to the rapidly changing economy and employment options. ETA encourages states to assess the skills, abilities, and career goals of dislocated workers and to help them map their skills against current and anticipated jobs.
- **Supportive Services and Needs-related Payments.** Because of the nature of our nation's changing economy, many dislocated workers may need training to increase their skills and gain employment. ETA encourages states to establish policies that assure that supportive services and needs-related payments, described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H, that may be necessary for an individual's participation in job training are part of the dislocated worker service strategy. Guidance on the provision of needs-related payments to dislocated workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, One-Stop Career Centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. One-Stop staff should also take into account the additional weeks of UI benefits available under the Emergency Unemployment Compensation and Extended Benefits that may help eligible customers complete longer-term training.
- **Coordination and Alignment with Wagner-Peyser, Reemployment Services, Trade Adjustment Assistance, Unemployment Insurance, One-Stop Career Center Partner Programs, and Registered Apprenticeship.** ETA encourages states to align their use of WIA Dislocated Worker formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all

funding. In particular, states should integrate their implementation of Dislocated Worker services with Reemployment Services and UI programs such that individuals have easy access to all programs, regardless of their point of entry into the system. Since significant Recovery Act investments are targeted to key industries such as construction, transportation, healthcare and other industries with emerging “green” jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship, states are also encouraged to leverage new and existing registered apprenticeship programs and assets.

- ***Alignment with State and Regional Economic Recovery Plans.*** ETA encourages states to align their WIA Dislocated Worker formula activities with state and regional economic recovery plans, particularly those connected with the Recovery Act as they are developed, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. States and local areas are encouraged to develop comprehensive regional partnerships to facilitate this alignment. LWIBs are encouraged to partner with each other regionally and across political jurisdictions as necessary.

C. Priority of Service for Veterans and Eligible Spouses

States and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act’s priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

13. Additional Guidance for WIA Adult and Dislocated Worker Programs.

A. Training Activities

ETA encourages states to consider using the six methods of providing training listed below in utilizing the WIA Adult and Dislocated Worker funds provided in the Recovery Act: 1) Individual Training Accounts; 2) Customized training; 3) On-the-job training; 4) Contracts with institutions of higher education and other eligible training providers; 5) Contracts with community-based organizations for the provision of training; and 6) Registered apprenticeship.

- ***Individual Training Accounts*** allow job seekers maximum flexibility in selecting training providers to meet their training and education needs.
- ***Customized training*** is designed to meet the special requirements of an employer or group of employers and is conducted with a commitment by the employer to employ an individual on successful completion of the training. The employer pays for not less than 50 percent of the cost of the training. Customized training is a valuable tool to create specific training for an

employer or group of employers with jobs available that require similar skill needs that results in positive employment outcomes for individuals upon completion of training.

- ***On-the-job training (OJT)*** provides job seekers with work experience and skills training needed to successfully obtain and retain employment. Under OJT, the employer is provided up to 50 percent of the costs of training calculated and paid on a wage reimbursement basis. National outcome data shows that outcomes for individuals completing OJT are higher than for those using other training methods. Additionally, research on successful adult learning strategies indicates that “earn-while-you-learn” models are critical to the successful training outcomes.
- ***Contracts with institutions of higher education and other training providers*** allow LWIBs to work directly with institutions of higher education, such as community colleges, and other training providers to quickly design education and training to fit the needs of the job seekers and employers they are serving. Given the budget restrictions many states and regions are facing, these contracts are intended to provide a means of quickly ramping up much-needed training capacity.
- ***Contracts with community-based organizations.*** WIA section 134(d)(4)(G) gives local areas the flexibility to contract directly with community-based organizations to provide training, in lieu of Individual Training Accounts, if the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization to serve special participant populations that face multiple barriers to employment.
- ***Registered apprenticeship*** combines education and work experience resulting in a nationally recognized portable credential and offers adults and dislocated workers a career pathway into specific fields. There are a number of creative ways to utilize WIA funding in support of both pre-apprenticeship and apprenticeship programs. See TEGL No. 2-07, “Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System,” and the recently updated apprenticeship regulations (73 Fed. Reg. 64402 (Oct. 29, 2008)) for more information.

B. Sequence of Service

In this guidance, ETA is clarifying requirements in WIA regulations related to sequence of services for the WIA Adult and Dislocated Worker programs as follows:

- Before providing intensive services, a local area must determine that an individual is unable to obtain employment through core services, among other criteria.
- To provide training services to an individual, the local area must determine that an individual is unable to obtain employment through intensive services, among other criteria.

As stated in the preamble to the WIA regulations, these determinations do not mean that the individual must go through layers of service to prove that need; the determination of need itself can be a core and/or intensive service, such as an assessment or development of an Individual

Employment Plan. Thus, a case worker could initially meet with a participant at a One-Stop Career Center, assess his or her skills and consider labor market conditions, and determine that core or intensive services will not be sufficient to result in employment for the participant. The provision of training or other needed services can then be provided sequentially, concurrently, or in whatever order makes the most sense for the individual.

14. Wagner-Peyser Act Funding. The Recovery Act makes available funding for Employment Services Operations, excluding reemployment services, in the amount of \$150,000,000. Funds will be distributed to states via existing Wagner-Peyser formula per TEGL No. 13-08 which identifies the specific amounts for each state. These funds are available for states to assist persons in One-Stop Career Centers to secure employment and workforce information by providing a variety of services, including job search assistance, skills assessment, and labor market information services to job seekers and to employers seeking qualified individuals to fill job openings. Per the Recovery Act, the funds are available for obligation by the states through September 30, 2010. All Wagner-Peyser Recovery Act funds must be expended by June 30, 2011.

A. Allowable Activities

As outlined in section 7(a) of the Wagner-Peyser Act, 90 percent of the sums allotted under the Recovery Act may be used for a variety of employment services, including job search and placement services for job seekers, appropriate services for employers, and other services listed in section 7(a)(3)(A) through (F). Wagner-Peyser services include assessment of skill levels, abilities and aptitudes; career guidance when appropriate; job search workshops; and referral to employers. The services offered to employers, in addition to referral of job seekers to job openings, include matching job requirements with job seeker experience, skills and other attributes; helping with special recruitment needs; assisting employers analyze hard-to-fill job orders; assisting with job restructuring; and helping employers. States are expected to provide these services within their One-Stop Career Centers.

Other key services include: 1) a computerized career information system including access to State Job Bank resources and institutions and organizations that provide training; and 2) the development and distribution of state and local workforce information which allows job seekers, employers, and providers and planners of job training and economic development to obtain information about job opportunities, regional job vacancies, labor supply, labor market or workforce trends, and the market situation in particular industries.

Under section 7(b), 10 percent of the Wagner-Peyser funds allotted are reserved for use in other areas, including performance incentives for public employment service offices, services for groups with special needs, and the extra costs of exemplary models.

Veterans receive priority of service under Wagner-Peyser activities. In addition, under Wagner-Peyser Act section 7(b)(2), the workforce system may provide specialized service to groups with special needs, including individuals with disabilities, as well as groups such as Indians and Native Americans, migrant and seasonal farmworkers, ex-offenders, youth, and older workers.

Additionally, states have flexibility to use Wagner-Peyser funds to support support targeted services to individuals with disabilities, such as the disability navigator programs similar to those currently operated in many One-Stop Career Centers nationally, and to purchase assistive technology and other devices to support providing services to individuals with disabilities. This supports the goals outlined in Wagner-Peyser Act section 8(b), as DPNs and other technology support the promotion and development of employment opportunities of persons with disabilities and placement of such individuals into employment.

B. Recommended Strategies

In implementing Wagner-Peyser services under the Recovery Act, ETA encourages states to consider including the following in their service delivery strategies:

- ***Seamless Service Integration with WIA Services, Unemployment Insurance, and One Stop Partners to Ensure Individuals have Access to a Full Array of Employment And Training Services.*** The Wagner-Peyser funded activities are an integral part of the One-Stop Career Center network that provides an integrated array of high-quality services so that workers, job seekers, and businesses can access the services they need in easy-to-reach locations, with many services also offered through self-service electronic access. WIA programs offer additional intensive and training services not available under Wagner-Peyser, while UI and One-Stop partners offer valuable income supports and other supportive services. The UI application process should also provide a direct link to a local One-Stop Career Center for assistance to reconnect to a job. The integration of services supports seamless transition between services for adults and dislocated workers.
- ***Assessment and Career Counseling.*** ETA strongly encourages states to use these funds to support career guidance and counseling services, including assessments, which are integral to helping unemployed workers assess transferrable skills and skill gaps.
- ***Workforce Information.*** ETA encourages states to consider utilizing a portion of Wagner-Peyser funding to enhance workforce and economic information availability and utilization. Such investments are critical to identifying businesses and sectors of the economy still in need of workers and those that will begin to grow as the economy recovers, as well as identifying transferable skills for workers who have lost their jobs and need to transition to new careers.
- ***Outreach to Migrant and Seasonal Farmworkers.*** Migrant and seasonal farmworkers will be impacted by the current economic downturn as well, requiring new strategies to ensure they have access to employment and training opportunities available as a result of Recovery Act funds.

C. Priority of Service for Veterans and Eligible Spouses

States and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible

spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

D. Hiring of Personnel

Due to the limited funding life and the economic crisis faced in many local areas, ETA strongly encourages states to work as quickly as possible to hire staff to accomplish the aforementioned allowable activities, in accordance with the staffing requirements of Wagner-Peyser codified at 20 CFR 652.215 and 216. Accordingly, ETA strongly encourages Governors to consider lifting state-wide hiring freezes for Wagner-Peyser, as well as other workforce programs receiving funds under the Recovery Act, in order to effectively meet the intent of the law. In making hiring decisions, however, states should be mindful of the temporary nature of the Recovery Act funding.

15. Reemployment Services. The Recovery Act makes available funding for reemployment services (RES) in the amount of \$250,000,000. These funds will be distributed to states using the Wagner-Peyser formula to supplement existing RES for UI claimants, and to support integrating Employment Service and UI information technology to identify and serve the needs of such claimants. Per the Recovery Act, the funds are available for obligation through September 30, 2010 and for expenditure through June 30, 2011.

A. Allowable Activities

RES funding provides job search and other employment-related assistance services to UI claimants. As was the case with prior RES grants in PY 2001 through PY 2005, these funds are to be used to provide RES to UI claimants through the One-Stop Career Centers, in addition to the regular Wagner-Peyser Act funded employment services, in order to accelerate their return to work. States are expected to provide reemployment services within the One-Stop Career Centers.

Under Wagner-Peyser Act section 7(a) through (c), allowable activities include job search and placement services to job seekers including counseling, testing, occupational and labor market information, assessment, and referral to employers, and appropriate recruitment services and special technical services for employers. Specifically, this may include:

- Services provided to UI claimants identified through the UI profiling system;
- In-person staff assisted services;
- Initial claimant reemployment assessments;
- Career guidance and group and individual counseling, including provision of materials, suggestions, or advice which are intended to assist the job seeker in making occupation or career decisions;

- Provision of labor market, occupational, and skills transferability information that clarifies claimants' reemployment opportunities and skills used in related or other industries;
- Referral to job banks, job portals, and job openings;
- Referral to employers and registered apprenticeship sponsors;
- Referral to training;
- Assessment, including interviews, testing, individual and group counseling, or employability planning; and
- Referral to training by WIA-funded or third party service providers.

States should also evaluate potential technological changes and updates that would improve their capacity to serve growing numbers of UI claimants, as Recovery Act funds may be used for information technology required to identify and serve the needs of UI claimants.

B. Recommended Strategies

In utilizing RES funding in the Recovery Act, ETA encourages states to consider the following:

Collaboration between State Employment Service, Unemployment Insurance, and Labor Market Information Offices. ETA strongly encourages states to bring together all partners in their state workforce system, including the UI, Employment Services and Labor Market Information offices, as well as the State Workforce Agency and State Workforce Investment Board leadership, to create a comprehensive strategic plan to most effectively serve UI claimants and businesses in need of a job ready, labor market connected workforce. In designing the strategic plan, ETA encourages states to consider the full range of Recovery Act economic stimulus projects and funds that will be available to the state, in addition to employment opportunities that may be available in the state in industries that continue to need more workers. For example, some areas have seen a general decline in economic activity and these states will receive significant economic stimulus funding for a wide variety of “shovel-ready” infrastructure projects. ETA encourages states to post these positions in the public job bank and to fill these positions with One-Stop Career Center customers. This type of coordinated response will optimize federal investments and benefits to unemployed workers.

Full Array of Services. ETA expects states to provide a full array of services for UI claimants through RES, Wagner-Peyser Act, and WIA grant funding as applicable. ETA encourages states to develop a comprehensive and integrated service delivery model to ensure the UI claimants receive an enhanced level of service. Based on the claimants' needs, ETA encourages states to consider the following service strategies and tactics:

- Claimant reemployment job clubs and/or networking support groups, including White Collar Job Clubs;
- Expanding the basis under the UI profiling system for referring UI claimants for services through the One-Stop system;
- Providing training for One-Stop staff on assessments, including worker profiling; autocoder software; labor market information, etc. to help staff understand how to use information and technology tools to target RES;

- Collaboration with UI to identify claimants who would benefit most from RES or WIA services, and encouraging UI to adjust the profiling models to target these individuals;
- Targeting job development efforts to better identify the skills transferability needs of UI claimants;
- One-on-one career guidance and counseling to include examination of whether an individual is likely to return to previous occupation or industry and, if not, use of skills assessment and testing techniques, labor market information data, workforce information, O*NET, and other tools to identify the claimant's transferable skills and other occupations and/or industries in which these skills can be used;
- Development of individual reemployment plans for claimants who, based on assessments, would not be a candidate for immediate reemployment in the regional labor market area and would benefit from additional RES and/or WIA intensive and training services; and
- Soft-skills pre-training services such as computer and internet keyboarding, and other competency classes to improve claimants' ability to job search and apply to jobs online.

Profiling and the Use of Statistical Modeling. With the limited funds available and the large numbers of claimants that would benefit from RES, ETA encourages states to assess claimants through the use of existing statistical profiling models using claimants' characteristics, as known from their initial UI claim, to help identify the most effective mix of interventions and services for different groups of UI claimants. Matching the types of services with the skills and abilities of claimants to be served will vary from state to state depending on the type of profiling model used, the local labor market dynamics, and the claimant characteristics. Close coordination and collaboration with UI is required to make this a success. Based simply on the claimants' potential duration of UI benefits (the maximum number of weeks of UI they are eligible to receive) and their profiled likelihood of exhausting those benefits, states may make the generalizations about service referrals described below. This information is not intended to place individuals into defined categories that have defined service delivery strategies, but instead can be used by states to guide development of the most effective strategies for all UI claimants.

- Claimants with low likelihood of benefit exhaustion and short potential benefit duration may be referred to immediate and intensive job development and job referral services. These claimants tend to be seasonal workers or multiple job holders. Their short potential duration on UI is a powerful incentive to return to work and their general characteristics (e.g., multiple employers, relatively low levels of wages, tenure, and education) generally indicate a claimant who is likely to regain employment quickly.
- Claimants who have a high likelihood of exhaustion and short potential benefit duration may be referred to skills training or skills transferability analysis. These claimants tend to have a strong work history, but need additional skills. This group is characterized by relatively longer job tenure, lower wages, and lower education than the average UI claimant.
- Claimants who have a high likelihood of exhaustion and long potential benefit duration may be referred to job search assistance services. These workers often have long tenure, very high education, and high wages. These claimants have strong attachment to the workforce but may not have looked for a job in a long time. They are often good job

candidates, but may need job search assistance such as resume writing assistance, job search workshops, and labor market information. They may also be facing an adjustment in wage expectations as a result of their work histories.

- Claimants who have a lower likelihood of exhaustion and long potential benefit duration may be referred to assessments, intensive services, and training. These claimants, who are characterized by low job tenure, high reserve wages, and low education, may have other barriers that affect their ability to find and maintain employment in the regional labor market.

ETA encourages states to work with their UI offices to ensure that all UI applicants are simultaneously referred to their One-Stop Career Center, regardless of their eligibility for UI.

Upgrading of Information Technology. Given that the Recovery Act allows for funds to be spent on information technology to better target and serve UI claimants, ETA encourages states to consider whether the following activities would strengthen and support their ability to more effectively serve RES participants and incorporate as appropriate:

- Updating the state's UI profiling model to improve effectiveness in targeting claimants;
- Integrating and/or significantly improving the communication and or the data transfer of UI claimant identification and characteristics data between the UI and One-Stop Career Center or Wagner-Peyser Act funded employment service management information and/or case management systems to eliminate the wasteful and redundant data collection and to improve the accuracy of UI data shared with RES;
- Implementing O*Net-SOC AutoCoder software and/or system in the UI claims taking process and in One-Stop Career Center intake operation. AutoCoder converts plain English job descriptions into O*NET standard occupational classification (SOC) codes, enabling case managers to quickly evaluate a UI claimant's work history and his/her competitiveness in the regional economy;
- Integrating labor market data into a strategic decision-making system would provide immediate and future benefit to the efficiency of service delivery; and
- Infrastructure upgrades to administrative systems, case management, and Internet access to improve efficiency.

16. WIA Youth Program. The Recovery Act makes available \$1,200,000,000 for WIA Youth activities. Funds will be distributed to states via the existing WIA Youth formula per TEGL No. 13-08, which specified amounts for each state. These funds are available for states to provide activities for youth in accordance with WIA requirements. Per the Act, the funds shall remain available to states for the same period of time as standard PY 2008 Youth formula funds, or until June 30, 2011.

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Layoff Aversion
	CORRESPONDENCE SYMBOL OWI-DWSS
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ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 30-09

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND
DIRECTORS
STATE LABOR COMMISSIONERS

FROM: JANE OATES 
Assistant Secretary

SUBJECT: Layoff Aversion Definition and the Appropriate Use of Workforce Investment Act Funds for Incumbent Worker Training for Layoff Aversion Using a Waiver

- 1. Purpose.** The purpose of this Training and Employment Guidance Letter (TEGL) is to: 1) define layoff aversion, and 2) provide guidance on the appropriate use of incumbent worker training (IWT) for layoff aversion if using local or Rapid Response funds via waiver.
- 2. References.** Workforce Investment Act of 1998 (WIA), as amended (29 U.S.C. 2801 et seq.); WIA Regulations, 20 CFR parts 652 and 660-671; Training and Employment Guidance Letter No. 26-09, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010."
- 3. Background.** The U.S. Department of Labor's (DOL) mission is "good jobs for everyone." The core mission of Employment and Training Administration (ETA) programs, particularly Workforce Investment Act (WIA) programs, is to provide unemployed jobseekers with the training and employment services needed in order to obtain good jobs. While services to employed workers is authorized in some limited provisions, WIA programs are primarily intended to serve unemployed, not employed, workers.

However, some individuals may need assistance to maintain or retain a good job by enhancing their skills or learn new technologies and procedures in a changing and challenging economic environment. Without appropriate training that allows existing workers to gain the necessary skills to operate new processes or technologies, employers may find it necessary to lay off workers with obsolete skills. Averting layoffs is one of the functions of the public workforce

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investment system, and given the range and diversity of workforce needs, states need some flexibility to use a limited amount of WIA resources to supplement resources from other federal, state and local government agencies and private or nonprofit organizations.

In order to balance the primary mission of WIA programs to serve unemployed workers with the need to allow a certain amount of flexibility for the workforce system to avert layoffs, since Program Year (PY) 2009, ETA has approved waivers to use a limited portion of WIA local formula or Rapid Response funds for IWT on the condition that the training be provided only in the context of layoff aversion.

This TEGL provides a definition for layoff aversion, provides information on identifying layoff risks, and gives guidance on the appropriate application of WIA funds to conduct IWT for layoff aversion with a waiver.

4. Definition of Layoff Aversion. ETA considers a layoff averted when: 1) a worker's job is saved with an existing employer that is at risk of downsizing or closing; or 2) a worker at risk of dislocation transitions to a different job with the same employer or a new job with a different employer and experiences no or a minimal spell of unemployment.

5. Benefits of Layoff Aversion. There are many benefits that accrue to workers, employers, taxpayers, and communities when layoffs are averted. For workers, the loss of income and benefits associated with unemployment can be financially devastating and risks the well-being of the worker's family. Retaining the same position or transitioning to a different position with retooled skills at a comparable wage maintains financial stability compared to the loss of income sustained when drawing unemployment compensation, which on average is 36 percent of the worker's average weekly wage when employed.

For employers, retaining a known reliable worker can save costs associated with severance; costs associated with having unfilled, vacant job openings; costs associated with recruiting and orienting a new employee with requisite skills to the procedures, culture and systems of the company that the former worker already knew; and intangible costs such as avoiding lower overall company morale for remaining workers when their co-workers are laid off. Additionally, layoffs often lead to increases in that employer's unemployment compensation tax rates.

For taxpayers, averting layoffs saves outlays from unemployment trust funds and other taxpayer-funded services that the unemployed worker may draw. Finally, for communities, averting layoffs is far less disruptive and costly compared to providing emergency food and health services to financially strained families, and the loss of property taxes associated with high home foreclosure rates. It also facilitates the maintenance of overall community economic wellness, which can be threatened when a mass layoff creates tertiary layoffs due to reduced overall consumption in the community.

6. Layoff Aversion Strategies. There are a wide variety of approaches and strategies available to assist in this endeavor, including early identification of at-risk companies, assessing the needs of such companies, and delivering services to address risk factors. States can and should develop collaborative partnerships with a range of organizations and intermediaries that can help them identify and design the appropriate interventions, such as the Department

of Commerce's Trade Adjustment Assistance for Firms or the Manufacturing Extension Partnership (MEP), Chambers of Commerce, Small Business Development Centers, community-based organizations, and others. Rapid Response activities such as those described in WIA regulations at 20 CFR 665.320(d), training and other services funded by WIA statewide discretionary funds, WIA-funded dislocated worker services, employment services, and prefeasibility studies are among the many varied strategies and funding sources that the workforce system can deploy in its efforts to avert layoffs, mitigate their impacts, and maintain good jobs for all. IWT is another approach that the public workforce investment system may provide to avert layoffs, using either WIA statewide discretionary funds ("15 percent funds"), which can be used for IWT without the need for a waiver, or a limited portion of local formula or Rapid Response funds via an approved waiver.

6. **Identifying Layoff Risks.** Determining the appropriate moment for workforce system involvement in layoff aversion is challenging. How does the workforce system identify companies at risk of layoff? How early should intervention occur? Other than the instance of an employer's layoff announcement, the period leading up to such an announcement is often unknown to those outside the management of a company. By the time a layoff is formally announced or otherwise made public, many options for assisting the company and workers to address threats are no longer feasible. It may be too late for layoff aversion strategies and the workforce system will begin to intervene in response to the layoffs or dislocations announced. On the other hand, providing publicly-funded training to incumbent workers (who are otherwise ineligible for WIA-funded services) when there is no foreseeable threat of layoffs in the future in order to generally "increase the competitiveness" of the employer/business, would not constitute a "layoff aversion strategy."

ETA believes that states are in the best position to create the policies and procedures for identifying a potential layoff situation. While there are no absolute rules for identifying the appropriate point for workforce system involvement in a layoff situation, states can and should develop policies and indicators and establish criteria for identifying at-risk employers. These state-level policies and criteria will then guide local areas in designing programs that will effectively identify firms that are at risk for layoffs, thereby limiting guesswork and the potential for misuse of public workforce investment funds.

Layoff aversion requires collaboration among partners with different capabilities and funds. Some states have had success with early indicator systems that are helpful in assessing an at-risk company. These systems use indicators such as declining sales, supply chain issues, adverse industry market trends, changes in management behavior or ownership, and other indicators to identify when a company may be at risk of a layoff. Other states and local Workforce Investment Boards are operating a collaborative program with the MEP centers to avert layoffs. In recent years, these programs have operated in California, Indiana, Michigan, Missouri, New York, Oklahoma, Pennsylvania, and others. This effort helps establish early warning networks, identify firms that are at risk, and develop strategies to help avoid layoffs. Forming partnerships with other state and Federal service providers is advantageous and crucial to developing a full spectrum of layoff aversion tactics such as facilitating access to capital, streamlining and/or improving the quality of production processes, or accessing new customers. Training, including IWT, is another tactic that, when appropriately deployed, can effectively avert layoffs either by saving the job with an existing employer through skill upgrades or by providing the worker with skills to transfer to a new job.

- 7. Using Incumbent Worker Training for Layoff Aversion.** IWT is an allowable statewide activity, described at WIA Section 134(a)(3). Under 20 CFR 665.220, states may establish policies and definitions to determine which workers, or groups of workers, are eligible for incumbent worker services for purposes of statewide activities. The regulations further define an incumbent worker served with statewide funds as “an individual who is employed, but...does not necessarily have to meet the eligibility requirements for intensive and training services for employed adults and dislocated workers at 20 CFR 663.220(b) and 663.310.” When provided with statewide funds, IWT is not limited to layoff aversion activities.

In PY 2009, ETA granted many states approval to use a portion of local Adult and/or Dislocated Worker funds to conduct IWT, but only for the purpose of averting layoffs. Similarly, ETA granted waivers to states to use a portion of Rapid Response funds for IWT for layoff aversion activities. IWT with these waivers is limited to layoff aversion because serving unemployed workers must be the workforce system’s focus in the current challenging economy, and resources should not be diverted to other uses at the expense of those most in need. However, to the extent some dislocations can be averted, ETA believes that some flexibility with these funds is warranted. TEGL No. 26-09 addresses the particular parameters of these two waivers in more detail; this TEGL seeks to clarify the layoff aversion component.

In implementing the IWT waiver, states must have criteria in place that states and local areas can use to determine a layoff risk, and when and whether IWT is an appropriate response. When developing criteria, states should consider whether absent the training a good job will be lost or degraded, and whether with the training the job will be retained or improved. States can use the following considerations to determine whether the training they plan to offer would be helpful in averting a layoff and whether the training itself is appropriate.

Employer Assessment

- The company remains open, but it is phasing out a function which will lead to layoffs unless the workers can be retrained to perform new functions. For example, a large hospital that transitions from paper-based medical records to electronic medical records may need medical records staff with different or more advanced skills than the staff that handles the paper-based records. Unless these workers can be retrained in electronic records, the hospital may choose to lay them off and hire other workers with the needed skills.
- A worker’s job has changing skill requirements as a result of external economic or market forces, significant changes in technology or operating processes, rapidly changing industry or occupational job requirements, or emergence of new products.
- The changing skill requirements are outside of normal skill growth and upkeep that would be provided by the employer.
- Training programs reasonably prepare workers to address these skill gaps.
- The employer demonstrates a commitment to retain employees or otherwise provide a tangible benefit to employees who receive IWT.

Worker Assessment

- Unless provided with training, the potentially laid-off worker does not have marketable, in-demand skills.
- The new skills can be attained in a reasonable period of time.
- The worker has not received a formal layoff notice. Such workers can be served with regular WIA Dislocated Worker funds.

- There exists a strong possibility of a job, either with the existing employer or a new employer, if the potentially laid-off worker attains new skills.

These are not absolute criteria, but are meant to prompt the development of state criteria on the use of the waived funds for IWT. If it is determined that providing IWT with waived funds might not be appropriate, states and local areas could consider other methods and fund sources to assist employers with upgrading the skills of their workforce. The primary goal of limiting IWT to layoff aversion is to ensure that it is worthwhile to invest public WIA funds in order to serve an employed individual to prevent his or her layoff, rather than serving a worker who is already unemployed. Evidence that a layoff could be avoided justifies an appropriate use of the waived funds. ETA plans to monitor states' use of IWT waivers to determine if IWT was delivered to avert layoffs. State may also consider establishing metrics to measure the success of such training investments.

8. Layoff Scenarios and Identifying Appropriate Workforce System Involvement. The workforce investment system has a variety of funds and service strategies available to avert layoffs or mitigate their impacts. Below are scenarios to clarify which funding sources and strategies may be most appropriate in a given situation.

- *Scenario 1: A worker receives a layoff notice.* The workforce system could provide assistance through Rapid Response and/or WIA Dislocated Worker funds.
- *Scenario 2: A worker's layoff has been certified as trade-related.* Assuming the worker group has been certified as eligible for Trade Adjustment Assistance (TAA), the workforce system could utilize TAA funds, including TAA for communities authorized under the American Recovery and Reinvestment Act of 2009.
- *Scenario 3: An employer has been determined to be at risk for layoff unless workers receive training on a new production technology.* The workforce system could provide IWT using its WIA statewide discretionary funds or IWT using local formula or Rapid Response funds with an approved waiver, assuming the situation meets the state-developed criteria for the use of such funds. The workforce system could also leverage other funds in the community such as from employers, community colleges, and others.
- *Scenario 4: An employer wants to re-train workers to produce a new product line.* The workforce system could provide IWT using its WIA statewide discretionary funds, fee-for-service, and/or leverage other funds in the community such as from employers, community colleges, and others. Use of waived funds for IWT is not appropriate because a layoff risk has not been identified.

9. Action Requested. States with approved waivers for IWT should examine their policies to ensure that they include criteria for determining when IWT is appropriate and also reflect the definition of layoff aversion provided in Section 5.

10. Inquiries. Inquiries may be addressed to the appropriate ETA regional office.

MONTEREY COUNTY OFFICE FOR EMPLOYMENT TRAINING**Adult Employment Program**

730 La Guardia Street - Salinas, CA 93905

Toll free 800.870.4750 ext. 3336 Local 831.796.3336

Agency: _____

Address: _____

Contact Person: _____ Phone: _____

Department: _____

Worksite Location: _____

Immediate Supervisor: _____ Phone: (_____) _____

Supervisor to Participant Ratio: _____

Total Number of Participants Assigned to Worksite: _____

The _____ Agency/Dept. agrees to the following responsibilities:

- To provide supervision, training and work experience in accordance with the job duties outlined in the job description and to assure that sufficient work is available to occupy the participant during work hours.
- To provide accountability of participant time and attendance, and to prepare written participant performance evaluations. Accurate record of the working hours will be kept, and time sheets will be submitted to the office for Employment Training every two weeks. Performance evaluations will be submitted once a month.
- To provide assurance that work experience participants shall not displace regular employees or violate any additional Maintenance of Effort provision.
- To provide all participants with safety and health protection as required under the Occupational Safety and Health Act of 1979.
- To ensure that all labor laws are observed at all times.
- To provide release time for the participants to further employment goals, i.e., orientation sessions, in-service training, employment applications/interviews, and job workshops as well as to attend periodic Labor Market Orientation Sessions.
- To provide an orientation to participants about the rules and regulations of the worksite, job duties, grievance procedures, and safety practices.
- To ensure the participant's civil rights are observed.
- To provide for monitoring visits by County, State and Federal personnel.
- To cooperate with program staff and to notify OET staff promptly should any problems arise.
- To provide assurances that proper equipment or materials are available to do the job.
- In case of federal government worksites, Worker's Compensation coverage for participants shall be provided under existing laws.

-Office for Employment Training shall:

- a. Pay the client every two weeks, providing a time sheet has been submitted by the agency.
- b. Provide Worker's Compensation for all clients, and conduct safety inspection during routine worksite visits.
- c. Provide necessary instruction and counseling.
- d. Conduct worksite visitations and vocation guidance sessions.

Participant Job Title: _____

Description of Job Duties: _____

Participant Work Schedule: _____

A) Work Days Varies _____B) Hours of Work Varies Total Hours per Week No more than 8 hrs per day, 40 hours per week, a total of 480 hours.

C) Lunch and Breaks (indicate time periods) _____

D) Term of Employment _____ to _____
Date

E) Hourly Rate of Pay _____

Special Rules, regulations of safety requirement relevant to the position.

(if any) _____

I understand and agree with all stipulations listed in this document. (Changes to this agreement must be approved by both parties)

Signature of Immediate Supervisor/ Date_____
Signature of Authorized OET Staff/ Date_____
Signature of Alternate Supervisor / Date_____
Signature of Authorized OET Manager/ Date

Rancho Cielo Overpayment Calculation

	contract agreement amount	actual hours worked	actual payment based on payroll records	correct payment amount	reimbursement amount
Employee #1 -	$\$18 + \$6 = \$24$	320	\$ 8,612.00	\$ 7,680.00	\$ 932.00
Employee #2 -	$\$15 + 20\% = \18	400	\$ 10,419.84	\$ 7,200.00	\$ 3,219.84
Total to be collected from contractor					\$ 4,151.84

The State of California, Office of the Inspector General (IG) of the American Recovery and Reinvestment Act (ARRA) funds issued a draft review report to the Monterey County Workforce Investment Board (WIB) on July 2, 2010. We received the WIB's response to that report on July 12, 2010. While we have reviewed the 62 page response to our 6 page report, we note that there was nothing contained in the response to warrant removing any of our findings.

Furthermore, we want to emphasize the importance of maintaining supporting documentation that adequately details the determinations that were made, so that an outside entity could come to the same conclusions as the WIB.